



THE EMERGENCY REVENUE BILL

The greater part of the public revenues should be derived from taxes upon incomes; the burdens of taxation should be lifted so far as possible from the backs of the poor. It is fair that the expense of protecting accumulated wealth should be borne by that which enjoys the protection.

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

DECEMBER 16, 1915



WASHINGTON

1916

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SPEECH
OF
HON. GEORGE HUDDLESTON.

The Emergency Revenue Bill.

Mr. HUDDLESTON. Mr. Speaker, under the general leave granted by unanimous consent on December 16, 1915, I desire to present my views upon the extension of the emergency revenue act and to state why I will vote for such extension.

The matter under consideration is the extension until December 31, 1916, of the provisions of the act entitled "An act to increase the internal revenue, and for other purposes," approved October 22, 1914. This law, commonly known as the emergency revenue bill, was passed to produce revenues, a deficiency in which was occasioned by the falling off in importations from foreign countries and a decrease in internal revenues, all incident to the European war.

The emergency revenue law of 1914 was largely copied from and is similar to the Republican war-tax measure of 1898. The latter was passed because of the need for increased revenues occasioned by the War with Spain. The law of 1914 was passed because of a decrease in internal revenues from spirits and tobacco, and so forth, and in tariff receipts occasioned by the European war. The circumstances under which the two laws were passed were quite similar. The law of 1914 was an emergency act in the strict sense of the word.

It will not do to say that because this Nation was at peace no emergency existed, since emergencies may be as well created by wars between foreign nations as by a war in which the United States takes part. Indeed, it must be admitted that the disturbance in the fiscal affairs of the neutral nations of the world caused by the European war was much greater than the derangement in our income and expenses occasioned by the Spanish War of 1898.

The Democratic general revenue bill of 1913 was most successful as a revenue producer. During the nine months prior to August 1, 1914, during which time the law was in untrammelled operation, greater revenues were produced than during any similar period under the Dingley tariff or the Payne-Aldrich law. On August 1, 1914, there was a surplus in our Treasury, a condition which had not existed on any August 1 during Taft's administration. The European war produced world-wide business depression. A panic of unprecedented proportions confronted the whole financial world. Trade was paralyzed, business confidence destroyed, and a period of depression ushered in. Our foreign trade, both of import and export, was suspended, and foreign credits reached a prohibitive premium. In a few months a foreign demand for our food products developed and

A trade balance in our favor began to accumulate, which was soon large enough to place Europe in our debt, so that the price of foreign exchange soared to unprecedented prices. The effect of these sudden fluctuations, loss of credit, and interruption of the channels of trade, lack of shipping, and so forth, was necessarily disastrous to ordinary commerce. Our import trade is even now only partially recovering, and will not likely reach normal figures until some conclusive development in the course of the war.

In America, within a few weeks after the breaking out of the European war, profound business depression existed. The depression pervaded the entire country in its industrial and financial affairs. In my section of the country, the iron and steel district of the South, there were three overlapping depressions—the financial and industrial depression, which existed elsewhere, and the cotton depression, which was peculiar to the South. Over the country generally business was suspended, work stopped, and thousands were thrown out of employment. The result was a long period of enforced economy. This first had effect, as was proper, upon luxuries; the use of spirits and tobacco greatly decreased, and there was little demand for luxuries imported from foreign countries on which it was our policy to levy tariffs. The decrease in public revenues was therefore instantly felt, and, in a measure, for the reasons stated, was out of all proportion to the injury which business had sustained, great as such injury was.

In this state of our fiscal affairs the emergency revenue law of 1914 was enacted. It was in every sense an emergency measure, and was intended to be only temporary. It was expected that the European war would soon end and that business would be resumed with the realization of normal revenues. The war has lasted much longer than was expected by anyone, especially by the nations which entered into it. We have not by any means yet recovered from its effects upon our revenues. It will be yet months before the American people fully recover from the business depression beginning in August, 1914, and until such recovery is fully made some temporary arrangement to cover the deficiency in revenues must be made. The emergency is as real now as it was in 1914, and must be met patriotically and not by seeking petty party advantage.

The question may be asked, Why when the deficiency in revenues was foreseen were our expenditures not cut correspondingly? Any answer made to this question must be unsatisfactory. Undoubtedly our Government spends too much money. There is undoubted waste and unquestionable extravagance, but where will you begin to cut expenses? It is too late to start a movement for economy after a temporary shortage in revenue appears. The economies practiced must be systematic and real and should reach every item of unjust or unnecessary expenditure. Everyone who has had to deal with public affairs realizes that it is much easier to increase revenue than to cut expenses. Practically every economy proposed involves a bitter and violent opposition. Many times such opposition comes from the people themselves, who are misled into thinking that everyone must get his share. Growing out of this feeling we have our "pork-barrel" legislation for public buildings and other works of public improvement. Constituents frequently demand of their Con-

gressmen that they procure the expenditure of public money in their districts, and alas, too often, it appears that these expenditures are desired more for the purpose of a temporary benefit to local trade and industry than to a desire for a permanent public improvement of real and substantial value. Besides we have organized governmental activities along certain lines, in appropriations for Army and Navy, for agriculture, and so forth, and unless a thorough overhauling of the system is to be made it is manifestly unfair that under the spur of temporary pressure we should knock off this or that appropriation and thereby disrupt a well-developed organization.

The emergency revenue law of 1914, by its terms, expires on December 31, 1915. Immediate action for its extension is therefore imperatively demanded. To carry out this law and to collect the revenues which accrue under it an organization has been perfected consisting of clerks and other officers. If the law is not reenacted before it expires this organization will be completely destroyed. The collectors will go out of office and the whole system be disrupted. A reorganization at some later date would cause a heavy expenditure of public money. Therefore, if we are to have the law reenacted, the act of extension should be immediately adopted. If the matter is left for action until a general-revenue bill can be considered, several months will be consumed with partisan haggling over its terms.

As a matter of principle, I oppose the provisions of the emergency revenue law which provide for stamp taxes. I regard this as a highly objectionable form of taxation. True, it has the merit of being direct in its operation. The people who pay the tax know that they are paying it. The money is not taken from them by stealth through forms of import duties so as to leave a basis for the fallacious contention that the foreigner pays the tax.

The principle of direct taxation must be approved, because the people who pay are thereby directly made aware of the extent to which they are being mulcted and may take action to relieve themselves of unjust burdens. A great objection to stamp taxes is that they lay a direct burden upon commerce; business is made to pay for its existence. The man of sloth pays nothing; the man of industry is made to suffer. The tendency is to clog trade and to handicap commercial transactions. I believe that no nation should rely for any substantial part of its revenue as a penalty for the activities of legitimate commerce and trade.

Another great objection to stamp taxes is the great inconvenience to which the people are put in their collection. The comparison made by the gentleman from Wyoming [Mr. MONDELL] in his speech upon this subject is most apt. Our Government stands at telephone booths, telegraph stations, cashiers' windows, and in other most unwelcome places to exact its revenues penny by penny, a trifling sum at a time, from those who have to pay. A man is frequently put to inconvenience and trouble in procuring stamps out of all proportion to the importance of the business transaction for which the stamps are required.

In rural districts and away from business centers generally the inconvenience of stamp taxes is frequently most exasperating.

Even in commercial centers business men are subject to frequent irritation and annoyance. For illustration, a few weeks ago a man of my acquaintance desired to have a small business transaction. The amount of stamps required to make the transaction valid was only 17 cents. He first went for the stamps to a leading real estate office—the clerk who had charge of the stamps was at lunch. Thence he went to a bank—it was after banking hours and the stamps had been locked in the safe. Next he walked six squares to the revenue collector's office and over his counter bought the 17 cents in stamps, tendering the clerk a silver dollar in payment; but behold the clerk shook his head; he could not make change, so the man handed him back the stamps and put his dollar in his pocket and walked out, for that was the last straw, and in his exasperation abandoned his transaction.

The aggregate collections from stamp taxes on everyday business transactions must be small, and, no principle being involved, it would seem that the Government should give up a method of taxation so harassing to citizens. I do not think that I shall ever support another stamp-tax measure which involves in its operations so much inconvenience to the people.

It should not be believed that the emergency act of 1914, which it is now proposed to extend, represents to any degree a Democratic principle. To the contrary, this law is a close copy of the Republican revenue measure of 1898, and credit should be given to the Republican Party for its invention.

The Democratic general revenue law of 1913, sometimes called the Underwood bill, represents to a large degree the ideals of the Democratic Party upon the matter of a levy for national revenues. I quote from the tariff plank of the national Democratic platform adopted in Baltimore in 1912:

We declare it to be a fundamental principle of the Democratic Party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of Government, honestly and economically administered.

As for myself, I stand squarely upon this plank. Though I represent the largest manufacturing district in the South I give my fullest and freest adherence to the principle of tariff for revenue only. The declaration of the Baltimore platform it seems to me is fundamental in Democracy and any apology for it or evasion of any of its implications constitute a betrayal of the real principles of Democracy. It is difficult to square some of the provisions of the general tariff law of 1914 with this plank. A moderate tariff levied upon all imports of whatsoever kind, with increased rates upon luxuries and articles which are not necessities of life, seems consistent with the Baltimore declaration. Another legitimate subject of revenue is domestic products, taxes upon which when levied at all should be upon articles which are not necessities of life, such as spirits, beer, tobacco, and things which contribute chiefly to luxury or pleasure.

I stand upon the principle that a large part of our necessary revenues should be derived from taxes upon incomes. I believe that the Nation in future should come to rely more and more upon taxes upon inheritances and accumulated wealth.

I believe that we should give fuller recognition of the doctrine that the burdens of taxation should so far as possible be lifted from the backs of the poor and that the wealth of the country should pay the greater part of the expenses of Government. The activities of Government consist in chief in the administration of justice, in the preservation of order and public defense, and the protection of property in general. It is only fair that the expense of protecting wealth should be paid by that which enjoys the protection.

Of all forms of taxation the most iniquitous is that which under the guise of raising revenue for the public welfare enables producers and manufacturers to lay an unjust charge and to exact an unjust price from American consumers. Especially is this so when the necessities of life are involved—the everyday needs of the everyday man. A tax such as this—and practically all protective tariffs come under the ban—is a perversion of American ideals and American institutions; it is a fraud upon the American Constitution.

21165—14867

THE LAW OF ARMED MERCHANT SHIPS

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

MARCH 7, 1916



WASHINGTON

1916

81308—15195



SPEECH
OF
HON. GEORGE HUDDLESTON.

The Law of Armed Merchant Ships.

The House had under consideration House resolution 147—the McLemore resolution—warning Americans not to travel upon armed merchant ships of belligerents.

MR. HUDDLESTON. Mr. Speaker, as a member of the Committee on Foreign Affairs I am impelled to discuss some of the difficulties with which we are confronted in the consideration of the McLemore resolution.

The central idea in the McLemore resolution is a warning to American citizens not to take passage upon armed merchant vessels of the European belligerents. Had this resolution been presented in time of world peace, or even at the beginning of the present session of Congress, the issue would have been very simple and it might have easily been disposed of. However, in the present situation the matter has taken on a vastly wider aspect, so that we are called upon to consider a subject of vital international significance.

Some few weeks ago the German Government gave notice that beginning March 1 it would sink armed enemy vessels without warning, whether such vessels were armed for defense only or not. Diplomatic discussions followed between the United States and Germany. Subsequently the rumor became general that Germany would not recede from the position which she had taken and that President Wilson had stated that if Germany should sink an armed merchant vessel of the entente powers without warning, and as a result an American should lose his life, diplomatic relations would be broken off with Germany. It was further believed that in the event of relations being broken off under such circumstances Germany would declare war. Thereupon the gentleman from Texas [Mr. Mc-

LEMORE] presented his resolution warning American citizens to stay off armed vessels.

The McLeMore resolution was widely approved by the common sense of the American people. We are a practical people; we wish peace; we are not willing to go to war over a technicality. The spirit of America is to shed the last drop of blood in defense of its institutions; to die, if need be, for its liberties. It is not the American spirit to plunge into war over technical diplomatic disputes, to fight blindly and unquestioningly at the behest of governmental authority. This is fitting as the spirit of a great democratic people, a self-governing people.

For the reasons stated, many Representatives at the time the McLeMore resolution was introduced were inclined to support it as the best way out of the difficulty. Had the question been presented as a naked abstract question, so that action upon it might have been free from implications, I should myself have voted for the resolution. No American citizen should take passage upon an armed merchant vessel of a belligerent. Even if he has no regard for his own life, he should not take a chance of embroiling his country in a controversy with another nation. He should value the peace and security of America to the extent that he would not do anything to jeopardize it. However, we must bear in mind that the right to sail on armed merchant ships is a right which a citizen has under the principles of international law. Mere warning to stay off can not lessen that right and would be in the nature of monition merely.

But Congress was not to be permitted to pass upon the McLeMore resolution upon its merits. The temptation to play politics and to meddle was too great for the newspapers to resist. The section of the press voicing the political opposition to the President seized upon the opportunity to foment strife between the President and Congress. The differences existing were grossly exaggerated, and headlines such as "War Between Wilson and Congress," "Congress in Revolt," "Congress Resists Wilson's Demands," and so forth, of an inflammatory nature constantly appeared. Our militaristic friends and the munition

makers also came in with scare heads, for they will permit no occasion to pass to agitate in favor of a great Army and Navy. The pro-German press and the pro-Allies press were also loud in their clamor, and certain silly supporters of the President shouted "cowards" and "poltroons," and insultingly demanded, "Are you for the President or for the Kaiser?"

With all this clamor the still small voice of true Americanism and clear-visioned wisdom was drowned out. Public sentiment was aroused to a high pitch and gossip was rife over the entire country. News of the situation reached European capitals, where, of course, ignorance of the institutions of democracy allowed no clear understanding. Our diplomatic adversaries were impressed that the President was without the support of his country and a deadlock in the negotiations was threatened.

The Committee on Foreign Affairs, upon authoritative information that the President had desired no action upon the Mc-Lemore resolution and no discussion upon it, withheld consideration of the subject. The President, finding that the country and foreign diplomats had been placed under a false impression, asked Congress to go forward with the matter. The question at the beginning was comparatively simple, but in the setting in which it was presented its aspect was so widened as to fill the whole horizon.

Conscientious Members have considered two phases of the matter. The first phase, that if the resolution should be adopted it would be the abject surrender of a clear legal right, a surrender made under pressure of a great foreign Government which had adopted an aggressive attitude toward our diplomatic representatives. To surrender would mean the breaking down of the President's case and the termination of the negotiations. It would mean the humiliation of the President, his unjust defeat at a critical moment. It would mean that no longer will foreign nations respect our diplomacy or the assertion of American rights. By the surrender of the right to travel on armed merchant ships we will surrender the right to arm them; it will be a logical concession that their status as merchant ships has been abandoned by merely arming them for defense.

The second phase of the situation was that to reject the resolution would have a much wider significance than the mere assertion of an international right. It was said by one member of the committee, in the discussion of the question :

If we vote down this resolution under the present circumstances, there will be an implied authorization to the President to insist upon the right of Americans to travel on armed merchant ships to the last extremity, even to taking action which meant war ; by voting the resolution down we commit ourselves morally to supporting the President in any position which he may choose to take upon the question, and if later he should dismiss the German ambassador and should commit the United States to such a policy it would be the duty of Congress to declare war against Germany.

The second phase mentioned was shocking to the sensibilities of members of the committee. I think I may say without betraying confidence that every member of the committee desires peace with all nations, and that we will take no contrary action unless the national honor shall so demand. We are fully alive to the cost of war, to its cost in human blood, in morals, in political principles, and in treasure. War is a hideous nightmare, with not a single favorable aspect. It is never justified except in a clean-cut, single-hearted defense of national honor. It is never to be waged to vindicate abstract rights or technical principles. It may be declared only to avenge a direct, deliberate, and intentional affront to American honor. Certain members of the committee feared that by an adverse report on the resolution they would be committed morally to support the President in breaking off diplomatic relations in the eventuality named. They did not wish to be committed upon this point. They wished to sustain the President, in so far as was consistent and fair, but only in and about the particular matter which was under consideration.

As for myself, I feel it incumbent upon me to say that I shall vote to table the McLemore resolution. I do not think it is at this juncture a suitable matter for congressional action. I have not the slightest doubt that American citizens have the right to travel on merchant ships armed for defense, and that when so traveling their lives may not be taken without warning and without giving the ship an opportunity to surrender. The President is absolutely right in his contention upon this sub-

ject and should be sustained by every patriotic American citizen. However, in such action as I take, I must not be taken, by implication or otherwise, as intending to commit myself as to what action should be taken if our rights upon the sea are violated by the German submarine campaign. It must not be assumed that I shall favor breaking off diplomatic relations with Germany or war in any event. I do not bind myself in any sense to take a course which would lead the American people into war over a legal technicality. I reserve to myself full freedom of action in any phase of the German controversy which may be presented in future. This much I feel it my duty, both to our Executive and to the American people, to say.

The McLemore resolution to warn Americans off belligerent merchant ships armed for defense is a novelty. Never in the history of the world has a legislative body of any nation given such a warning to its citizens. Never, prior to the reputed action of Sweden a few days ago, has governmental authority of any nation given such warning. It would present the United States in a very poor light to the world to take such action at this time, especially under pressure from a foreign Government.

Congress has no warrant in the Constitution to advise American citizens as to how they shall exercise their rights under international law, nor whether they shall exercise them or not. Congress has never in our history assumed to give such advice. In only two instances has the Executive given such advice to citizens by proclamation—the first at the time of a filibustering expedition to Cuba in 1849 and the second during the recent troubles in Mexico. Although a lawyer by profession, I attach no undue weight to precedents. However, since we find no constitutional authority for taking such action and Congress has never asserted the privilege before, it seems to me most inexpedient to enter at this time upon the field of giving advice to citizens concerning delicate international matters.

The Committee on Foreign Affairs, having in view the reasons which I have stated, felt obliged to accompany any recommendation which it might make on the resolution with some sort of explanation, so that all intendments of their recommendation

might be clearly understood. The explanation embodied in our report is as follows:

That House resolution 147, known as the McLemore resolution, requesting the President to warn all citizens of the United States to refrain from traveling on armed merchant vessels, be reported to the House with the recommendation that it be laid on the table. Under the Constitution, the practice, and precedents in this country, the conduct of diplomatic negotiations has been left to the President, and with this practice the committee does not feel it proper for the House of Representatives to interfere. We know that if the President reaches a point in any negotiation with foreign Governments at which he has exhausted his power in the premises, he will in the usual way report all facts and circumstances to Congress for its consideration.

It may be well believed that this explanation is not wholly satisfactory to any member of the committee, but it was found necessary to make mutual concessions in order to bring out a report which would command the support of a large majority of the members of the committee.

For myself, I criticize the committee's report as being an evasion. Its statements are most obvious, but they do not respond to the subject matter of the resolution. The report attempts to explain without explaining. It does serve the purpose, however, to indicate that the committee does not intend to be bound by implications, nor to have its future actions hampered by its recommendation on the resolution except so far as same is strictly applicable.

Notwithstanding this which I believe to be a just criticism, the explanation does after all indicate to Congress, to our country, and to foreign nations, our attitude upon the subject. The context clearly shows that we do not purpose to surrender American rights, rights guaranteed to us by well-settled principles of international law; also, that in making this decision Congress does not bind itself to support any aggressive foreign policy which would lead us into a war not necessary for the protection of national honor. Furthermore, we reserve our freedom of action, our freedom to decide when the time comes whether there is sufficient cause for war or not.

American citizens should not travel upon belligerent ships even though armed for defense only. Every consideration of patriotism dictates this, even if the travelers have no regard for their own safety. The peace of our country is the most im-

portant thing that any citizen can have in mind. He should do nothing which would jeopardize that peace, and I believe that every Representative in this Chamber, if the question were presented to him, would advise citizens to refrain from such travel. I would most unhesitatingly do so.

MERCHANT SHIPS MAY ARM AND DEFEND AGAINST CAPTURE.

Under the laws of civilized warfare there is an essential difference between the capture of merchant ships on the high seas and the taking for military purposes of private property on land. In the latter case the property is requisitioned as a matter of military necessity; it is not confiscated, but must be paid for. The taking is not a hostile act against an enemy for property of citizens of the country requisitioning same may be taken to the same extent as that of other persons within the military jurisdiction.

Capture of merchant vessels is justified only upon the theory that they are potentially a part of the fleet of the enemy country; their capture is an act of hostility against the enemy country and is done to destroy an enemy's commerce and his power for offensive. The theory is that merchant ships may be converted into war vessels and that their crews are potentially members of the enemy forces. This principle is brought into sharp relief by the long-established rule again recognized by article 6 of convention 11 of the Second Hague Peace Conference, which provides that the crew will be interned if they refuse to promise in writing not to hire during the continuation of the war for services connected with the war operations. Such capture of an enemy merchant ship entails the treatment of the crew as war prisoners, not as civilians entitled to immediate discharge. An attack upon the enemy merchant ship is an attack upon the crew. Its purpose is to restrain the crew of its liberties. The status of the crew is strictly analogous to that of a detachment of troops engaged in war on land. They may submit to capture and thereby curtail their liberty, or they may resist and take a chance at being overpowered. If they refuse to surrender, their potential membership in the armed forces remains, and they must either give parole or go into internment.

The status of the enemy merchant vessel which defends itself against an attack with intent to capture, is similar to that of a civil population of an unoccupied district which attempts to flight off invaders. It is certainly logical to treat the crew as pirates, if we consider the defense of an enemy merchant ship against attack for purposes of capture as unlawful. If the defense is contrary to law, then it does not matter who participates in it, and it is illogical to distinguish between the different persons of the crew. Why should the defense of a ship be lawful in so far as it concerns persons who are enrolled in the enemy forces? Apparently only because with the capture of the ship, internment threatens these persons, and they need not subject themselves to capture without defense. Persons of the crew who do not belong to the enemy forces, in case of capture, have the alternative as potential combatants, either of giving parole or of being interned. Why should they submit to this curtailment of liberty without being permitted to defend themselves?

The rule is not obsolete. It has been repeatedly recognized recently, and its principles are being recognized to-day by the European belligerents in their internment of the crews of merchant ships. The crew of a merchant ship has to-day the right to defend itself against capture by any means recognized by the laws of war—to defend itself and its ship. The right to defend carries the right to make an effective defense and to prepare for such defense, which means to carry such armament as may be desirable for the purpose. The weakness or strength of an attacker does not affect this right. Having the right to defend and the right to bear arms for defense, it necessarily follows that a merchant ship does not lose its status as such by arming for defense. It follows inevitably that the rights and immunities of persons on board a merchant ship armed for defense remain the same as though the ship was unarmed, and that neutrals lose none of their rights by taking passage on such ships.

Warships may be sunk without notice. The attacker owes no duty except to give quarter to those who surrender when the resistance has ended. This follows from the presumption that the pur-

pose of the warship is offensive. Such presumption does not obtain as to merchant vessels armed for defense. The business of warships is to seek the enemy and destroy him. Merchant ships proceed from port to port in behalf of commerce. The purpose of attack on a merchant ship is not destruction, but capture. Destruction is permissible only if it be necessary to overcome the defense or to stay the defender's flight. It would be unreasonable to say that such ships may be sunk without notice. Neutrals on board such ships have no greater rights than non-combatant subjects of a belligerent country. All alike are entitled the privilege of surrender before being destroyed.

The difficulties which inhere in giving warning by a submarine or other weak war vessel which seeks to capture an enemy merchant ship do not affect the rule. These affect matters of convenience and can not overturn the principle.

An authoratative exposition of the principles involved is found in the decision of John Marshall, Chief Justice of the United States, in the *Nereide*, Ninth Cranch, page 440. The *Nereide* was a British armed merchantman carrying 10 guns, and was chartered by Pinto, a Spanish subject, to carry his goods from England to South America. Pinto accompanied the ship, which under its charter was required to be armed. On the voyage the *Nereide* fell in with a United States privateer, declined to surrender on demand, and after a lively action in which loss of life occurred, was captured by the privateer and brought into port. The question came before the Supreme Court of the United States by Pinto's efforts to recover his goods. The right of the *Nereide* to arm for defense and to defend against capture was fully considered, ably discussed, and decided in the affirmative. It was held that Pinto, although he had stipulated that the vessel should be armed and was himself on board, retained his status as a neutral; that his goods were not forfeit and should be returned to Pinto. It was held that Pinto and his goods retained a neutral status, which was the same as though the vessel had been unarmed and had surrendered on demand.

The *Nereide* case was preceded by *Brown* against United States, Eighth Cranch, page 132, and has been followed by
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numerous cases including the *Dos Hermanos*, Second Wheaton, page 76; United States against Quincy, Sixth Peters, page 445; and numerous other cases. See also Kent's International Law, second edition, 1878, pages 225 and 226; Halls International Law 524. In the case of the *Atlanta*, decided in 1814, Chief Justice Marshall said:

A neutral merchant has the right to charter and load his goods on board a belligerent's armed vessel without forfeiting his neutral character.

The doctrine laid down by these authorities is not merely an American doctrine. It had its origin in British courts, but has been universally recognized. Recently it has been asserted that the doctrine is obsolete; that it had its origin in time of privateering and piracy; that the right to defend exists only against piratical and other unlawful attacks, such attacks without quarter, and so forth. These contentions are unsound. Their fallacy is clearly seen when the reasons for the rule are considered.

The right of a belligerent to visit and search neutral vessels is wholly different from a belligerent's rights as to enemy ships. The belligerent is permitted to visit and search a neutral vessel so that he may see whether the vessel is, in fact, neutral, and whether there is on board contraband goods subject to seizure. In the case of enemy merchantmen the right to capture only exists. There is no reason to visit and search, for such proceedings could only show that the vessel is subject to capture, which if the ship be an enemy ship is an unnecessary preliminary. Merchant vessels owe no duty whatsoever to allow belligerent enemies to visit and search them or to come within gun range, but may flee at will or defend to the extent of their powers, all, of course, at peril of being captured when overtaken or overcome, and sunk if such course be necessary to overcome them. The crew and passengers aboard retain the same status as though the vessel had been unarmed and had surrendered without resistance. It is noted that a vessel, though unarmed, may seek to escape by flight and when overhauled loses no right which it would otherwise have had. Resistance may even be made with small arms. Always there should be no treachery and no violation of the rules of war.

When this question first came up for consideration I was impressed with the argument that because torpedo boats and submarines were legitimate war vessels, but were frail and had small powers of defense, this affected the right of merchant vessels to arm and resist capture. However, it readily became apparent that the weakness of the offensive could not affect the right of the attacked vessel to defend itself. In principle there can be no limitation upon the armament which a merchant vessel may carry for defense only. The nature of the armament may, indeed, throw light upon whether the intent of the vessel is defensive or offensive, but once it is established that the armament is for defense only, principle does not limit the size of the guns nor the strength of the armor. Ships may arm themselves to defend against any strength of attack, whether from a fishing smack or a battleship, and may resist attack by any assailant irrespective of his strength or weakness. A battleship demanding the surrender of the weakest merchant vessel may be defended against even to the extent that the defender is totally destroyed. It is not the right of the assailant to dictate what kind of defense shall be made, nor the strength of the armament of his intended victim. Given a case in which a merchant ship intends in good faith to resist capture only, it may be clad in 9-inch armor and carry guns of the largest caliber. A merchant vessel may be compared to a man in his own home who may resist by any means necessary an unlawful intrusion.

The best consideration of this question which I have been able to find is the discussion by Oppenheim, professor of international law at Cambridge, who says (1913):

Another objection, however, might be advanced against the doctrine here presented, namely, that the defense of enemy merchant ships is lawful. One could class the capture of these ships, which is doubtless lawful according to existing law, in the category of the many other lawful acts which every belligerent may commit against the property of enemy subjects, and against which resistance is not permissible. A belligerent who occupies enemy territory may make requisition which will be a heavy tax on the property of the inhabitants of the enemy territory. Resistance against these lawful acts is not permissible; armed resistance will be visited with severe punishment. Is not capture of enemy merchant ships a hostile act of the same class, which the owners of ship and cargo are liable to suffer as lawful consequence of the state of war, without being allowed to offer resistance?

At first glance, much might be said in favor of this contention, but it is found to be untenable on closer examination. First, requisitions, levy of contributions, and other acts of this category are acts committed in occupied enemy territory, where the inhabitants are under the jurisdiction of the occupant. Capture of enemy merchant ships, however, is regularly an act committed on the high seas; enemy ships are not subject to the belligerents' authority unless they are captured. When the enemy ship is captured, the crew is under the authority of the captor, and from that time any insubordination may be met by disciplinary punishment; but before capture becomes a fact, neither ship nor crew is subject to the authority of the attacking party. Secondly, all measures such as requisitions, which affect the property of the inhabitants of occupied districts, are not intended as appropriation of private property itself, but they are steps which are taken in the interest of the occupying army or of the administration of the occupied districts, and may only be taken so far as they are necessary. For requisition and contribution receipts must be given in order that those affected thereby may be reimbursed. On the other hand, capture of enemy merchant ships is a direct measure against enemy private property, although its purpose is not to damage private parties but to destroy the enemy's maritime commerce.

Just this aim leads to a third distinction in the measures under consideration. Requisitions and the like do not constitute offensive acts directed against the enemy; they are not hostile acts. On the other hand, capture of enemy merchant ships is a hostile act, because it tends to destroy the enemy's maritime commerce. The mere fact that capture of ships is an offensive, hostile act seems to justify armed resistance as a defensive act against capture.

Finally we have to consider that requisition and the like do not entail treatment of those concerned as prisoners of war, while capture of enemy merchant ships involves internment of the crew or, at least, forces them to give parole.

From whatever angle one approaches the problem the result is the same. Attack with intent to capture an enemy merchant ship, although lawful, is a hostile act, which, like every other such act, may be lawfully repulsed by armed resistance. The reason that not all prize laws and textbooks on international law contain this principle is because thus far armed resistance by an enemy merchant ship against an attack for the purpose of capture under the modern conditions of naval warfare has been thought hardly possible. Such a defense was from the outset regarded as futile. But since the use of submarines and torpedo boats and the conversion of merchant ships into warships threatens to be resorted to extensively in the future the present conditions of naval warfare have changed so much that defense is possible; and therefore the old rule, up to now hardly practicable, again attains practical importance; and it must be expected that at the next Hague peace conference, which it is hoped will soon convene, the rule will receive the same approval of the States represented with which it was accepted by an overwhelming majority at the Oxford Convention of the Institute of International Law, in 1913, during the discussion of the manual of the laws of naval war, because it is in accordance with the present law of custom and the nature of the subject.

The principles stated by Oppenheim have received the approval of the most eminent European authorities. Distinguished jurists of practically all of the leading European nations have

within the last few years considered the identical subject, with similar conclusions. I will quote a few of these authorities:

A merchant ship has not the right to first attack the hostile ship, yet if attacked herself she may repel aggression. (Nys, E. (Belgian) *Droit International Bruxelles*, 1912, p. 113.)

Private vessels without any commission or authorization of their Government are not allowed to wage war or to attack any enemy at sea without classing themselves in the category of pirates. It is a different case, however, when they act in self-defense. "If private individuals confine themselves to simple defense," says Chancellor Kent; "they are to be considered as acting under the presumed order of the State, and are entitled to be treated by the adversary as lawful enemies." All agree that defensive hostilities on the high seas, as well as on land, without a commission or public authority, are not criminal acts but acts fully authorized by the law of war. (Ferguson, Jan Hélenus. (Dutch) *Manual of International Law*, 1884, V. II, pp. 385, 386; see also Kent, *Com. on Am. Law*, Vol. I, pp. 94-96.)

In case a noncommissioned merchantman gets possession of an enemy ship by the act of self-defense, the principle is that "she shall have no right to the prize, although it is a fair prize as far as the enemy is concerned if made according to the laws of war. (Boeck (French), *De la Propriété privée ennemis sous pavillon ennemi*. Paris, 1882, p. 245 ff.)

A merchant vessel surprised by the enemy may resist if she believes herself able to hold out against him. If her resistance is unavailing the capture should not be aggravated by any severity. She was attacked by war. She had a right to meet force with force—to make her escape by fighting. If her resistance is successful and she overcomes her aggressor she may apply to him the treatment which she escapes. Her victory makes the enemy ship her conquest and the crew her prisoners. (Dupuis (French), *Droit de guerre maritime*. Paris, 1899, p. 121.)

Any merchant ship which, during the prevalence of the tradition declaring her liable to capture in time of war, is attacked by an enemy ship, shall have the right to defend herself and perform any act of hostility. (Flore (Italian), *Diritto internazionale pubblico*, 1891, v. 3, p. 103.) Private ships shall be allowed during maritime war to use force to defend themselves from enemy ships wishing to attack them, and any hostile act performed by them under these circumstances shall be characterized as an act of self-defense. (Ibid., p. 745.)

A neutral's act in shipping his goods in a hostile vessel is absolutely legitimate, and this vessel's act in resisting her enemy is equally legal; hence no illegality has been committed affecting either ship or cargo when resistance takes place in the case of two enemies. (Kleen (Swedish), *Lois et usages de la neutralité*, 1900, p. 312 ff.)

It will be noted that Oppenheim refers to the meeting of the Institute of International Law, held at Oxford in August, 1913. At that meeting a manual of laws of naval war was adopted, article 13 of which manual expressly allows merchant ships to defend against capture. This article was fully discussed by the representatives of the major European nations present. After

full discussion, in which the German representatives, Prof. Triepel and Prof. von Bar, participated, the article was adopted "by a large majority."

The contention that the rule allowing merchant ships to arm and defend against attack is obsolete is an argument of convenience. It is made by those who wish submarine warfare to be more effective, who wish to make it appear that there is something unfair and illegal in a merchantman, devoted to peace, successfully resisting an attack by a submarine devoted to war. This argument is a part of the new militarism which would subordinate commerce, industry, and all instrumentalities of peace and the welfare and happiness of the world to the harsh activities of war. After all, we must not lose sight of the fact that the real business of civilization is consistent only with peace; that war represents a hiatus, a gap, a stopping place where humanity marks time. Civilization has not as its purpose the promotion of war and its instrumentalities; to the contrary, war and civilization are in perpetual conflict—one must destroy the other if it would have permanent dominion.

It is worthy of a great people—of the great democratic American people—that we should busy ourselves with the development of commerce, trade, and industry, the cultivation of the fine arts, and the amenities between nations—that we should make more perfect the instrumentalities of peace and peaceful methods more secure. This is much more worthy than that we should give fuller countenance or larger recognition to the hateful practices of war. I would that our country should always lead in insisting upon the rights of neutrals, upon the rights of commerce, and of civilians generally, and that we should labor to reduce and restrict the privileges of armies and navies and the advantages of those who would rely upon war for greatness.

GOVERNMENT MANUFACTURE OF ARMOR

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

APRIL 1, 1916



WASHINGTON
GOVERNMENT PRINTING OFFICE
1916

35384—15399

SPEECH
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Government Manufacture of Armor.

Mr. HUDDLESTON. Mr. Speaker, at the beginning of the present session of Congress on December 14, 1915, I introduced a bill providing for the erection of a Government plant for the manufacture of armor, at Birmingham, Ala., and this bill is now pending before the House Committee on Naval Affairs. The erection of a Government plant has also been under consideration in the Senate. A bill offered by Senator TILLMAN to construct an armor plant has recently been passed by the Senate after full debate. The Senate measure is now pending before the House, and discussion of the subject is germane.

Whether the Government shall enter into the manufacture of armor for its war vessels is a matter which involves questions of public policy and of saving the taxpayers money. Is it for the public welfare that the Government should manufacture armor for its warships? Can the Government manufacture armor cheaper than it can be bought from private concerns? My conclusions are in the affirmative on both these points.

MONEY CAN BE SAVED.

There is no real competition between the armor-plate makers. The law requires that all armor used on our war vessels shall be manufactured in the United States. There are only three firms engaged in this business in the entire country. They are the Bethlehem Steel Co., the Carnegie Steel Co., and the Midvale Steel Co. All these plants are located near Philadelphia, Pa.

The Government is restricted by law to purchases from these companies. This gives the three firms a monopoly, and in itself would destroy all competition between them. But it is evident that the firms have agreed among themselves as to the prices which they will charge the Government.

The Bethlehem Co. went into the business in 1887, and down to 1915, inclusive, has sold the Government 95,007 tons of armor, at an average price of \$445.70 per ton, receiving therefor \$42,344,937. The lowest price which it has ever charged was \$345.84 per ton in 1906. The Carnegie Co. began furnishing armor in 1891, and to 1915 we had purchased of them 89,933 tons of armor, at an average of \$442.36 per ton, or a total of \$39,783,497. The Midvale Steel Co. entered the business in 1903, and to 1915 had sold the Government 48,399 tons of armor, at an average price of \$420.99 per ton, receiving \$20,375,858 of the public money. A total of \$102,504,292 has been paid out of the Treasury for armor plate.

The Carnegie Co. and the Bethlehem Co. agreed between themselves on the price from the very beginning. The Midvale Co. made its first bid for armor in 1900 at \$438 per ton. This company had no plant at the time it made the bid, but expected to construct a plant if its bid was accepted. The naval authorities declined to consider the bid and awarded the contract to the Carnegie and Bethlehem companies at \$490 per ton. The Midvale Co. thereupon proceeded to build a plant, and in 1903 made a bid of \$398 per ton. The result was an award of one-third of a 16,000-ton contract to Midvale on its bid and one-third of the contract each to the Carnegie and Bethlehem firms at \$453.60 per ton. In 1905 and in subsequent years Midvale was the lowest bidder, but the contracts were always divided among the three firms, with usually some discrimination against the Midvale Co., apparently as a punishment for coming into the business and offering competitive prices.

Naturally the Midvale Co. soon ceased trying to underbid, and sought only its share of the contracts at the prevailing price. In 1913 the three companies put in bids identical to a cent. This was evidently not a coincidence, but was the result of an agreement which any court would have held to be fraudulent.

The Government must have armor. It must buy it from these three concerns. They are the only firms which can manufacture it. The Carnegie Co. and the Bethlehem Co. have always been in harmony as to price, and the course of the naval au-

authorities has forced the Midvale Co., which showed a disposition to compete honestly, to come to an understanding with the two other companies. An Armor Trust, secure in a monopoly of armor is the result. No intelligent man can believe that there is any competition in the business.

The situation surrounding armor making makes economy in cost impossible. The three plants have a total capacity of 30,000 tons per annum—Bethlehem, 12,500 tons; Carnegie, 10,000 tons; Midvale, 7,500 tons. The total value of the plants is estimated at from fourteen to eighteen million dollars. When not making armor the plants are forced to remain in idleness, as they are not suited to other kinds of work. Nothing but armor can be manufactured at an armor plant. The cost of making armor is shown to be from \$60 to \$100 per ton greater when the plant is working at from one-third to one-half full capacity. In other words, if a 10,000-ton plant has a 10,000-ton contract, it can manufacture armor about \$100 per ton cheaper than if it had a contract of 3,000 tons.

When an armor plant has no contracts it must be shut down. Its highly skilled force of employees are scattered unless the company has other steel works in which they may be employed. The necessary result is that to retain the force of labor, great expense is incurred. There is also constant and rapid depreciation in an idle plant and the interest upon the investment, with taxes and other charges, run very high.

For these reasons an armor maker must make his contracts upon a basis which allows a profit, not merely for the work done, but for the risk and hazard of an idle plant, a scattered force, and overhead charges. He must not only allow for a profit while he is at work, but must secure a profit for the time when he is idle. This forces the armor maker to charge an unusual profit on his contracts. The business can scarcely be said to be on a legitimate, orderly basis.

He has only one customer, the Government. The customer has, practically speaking, only one source from which he can buy. Our orders for armor have averaged during the last 10 years not exceeding 16,000 tons per annum, so that on an average the plants have been only about one-half fully occupied.

In effect the Government might as well have been paying interest, up-keep, and charges upon a 14,000-ton plant costing eight to ten million dollars, which has been kept idle and useless. It can not be doubted that this fact has greatly increased the cost of armor, an increased cost which in this particular is honest from the manufacturer's standpoint.

Not only have the conditions surrounding armor-making prevented economical operations, and not only has there been no honest competition, but the armor makers have been most avaricious in their dealings with the Government. Unjust and reasonable prices and profits on armor have been charged. For many years the belief has widely prevailed that the armor makers are overcharging the Government. There has been great dissatisfaction in Congress and over the country on account of this belief. From time to time bills have been introduced authorizing the construction of a Government armor plant. In 1900 an appropriation of \$4,000,000 was made by Congress, and the Secretary was authorized, if he could not obtain armor at a fair price, to erect a plant; but the armor makers found a way to dissuade him from action and new contracts continued to be entered into at the old extortionate prices. A number of investigations have been held under authority of Congress to investigate the subject and to ascertain the reasonable cost of armor. The Niles board, in 1905, found the cost of manufacture to be \$244 per ton.

The most recent investigation of this subject was made in 1915 by a congressional commission composed of Senator B. R. TILLMAN, Representative L. P. PADGETT, and Rear Admiral Joseph Strauss. This commission was directed to investigate the cost of an armor plant, and its report is found in Document 1620, of Sixty-third Congress, third session.

The commission held hearings at the plants of the Bethlehem, Carnegie, and Midvale companies, and had before it the officials of the armor makers. These officials, without exception, refused to give any information as to the cost of making armor. Making the excuse that they did not wish to betray their trade secrets to their competitors, they insisted upon the privilege of refusing to answer the questions asked them. These officials

knew the purpose of the investigation. They knew that Congress wished to know whether they were making unreasonable profits, and whether it would be cheaper for the Government to manufacture its own armor than to buy it from private concerns. They knew that they had no competitors except each other. Their trade secrets were not asked for, for if they had any such secrets they were fully known to the naval officers who were detailed for the inspection of the armor and the details of its manufacture. All armor is made under close Government inspection and under naval specifications. Besides, the commission asked no questions as to methods of manufacture nor as to any matter which might fairly be considered a trade secret. The questions asked related wholly to items of cost, and this in only a general way. It is evident that the refusal of the officers to answer the questions was not in good faith, and that their real purpose in refusing was to withhold the disclosure that the prices charged were unreasonably high.

During recent hearings before the Senate committee upon the armor-plate bill the officials of the Bethlehem and Midvale firms came forward with an anxious show of being willing to give the information which they had refused only a year before. But when pinned down they insisted on taking as a basis the figures on the cost of armor reported by the 1915 commission and declined to give the facts as to what the actual cost of armor making was.

These officials made the bold offer to allow an expert accountant to go through their books and report the cost in a confidential way, but made a condition that the cost should not be made public and should not be shown in a public document. This was an impossible condition, for neither Congress nor any governmental department had the right to withhold such information from the public. It happens that the people of the United States are the rulers of this country, and they are entitled to know everything that any Government official knows. Necessarily the offer which involved this impossible condition was declined, as no doubt the officials had intended it should be. The Tillman commission of 1915 reported that a 20,000-ton armor plant would cost \$10,331,900, and that at such a plant

armor could be manufactured for \$230.11 per ton when operated at full capacity; that a 10,000-ton plant could be built for \$6,635,107 and could be operated at a cost of \$262.79 per ton.

The figures of the commission were based upon estimates. This was necessary, because the armor makers had withheld all the facts. A close study and analysis of the items which go to make up the estimate of cost forces the conclusion that the estimate is a liberal one; that it is amply large; that perhaps the estimate of cost of making armor might well be reduced from 10 to 25 per cent. This conclusion is further fortified by the fact that in the recent Senate hearings the armor makers offered to accept the commission's estimates as correct, though they declined to give the public their own actual facts and figures. The estimate must be accepted as amply large, and in all probability 10 to 25 per cent excessive.

Another evidence that the Government has been charged an excessive price is the fact that in 1894 the Bethlehem Co. sold armor to Russia for \$249 per ton, while at the same time, under the contract of March, 1893, it charged the United States \$616.14 per ton for armor. In 1897 Secretary of the Navy Herbert, under authority of Congress, made an investigation as to the cost of armor manufactured, and reported that all labor and materials cost only \$217.78 per ton, and that up to that time the Bethlehem Co. had made sufficient profits out of the Government to pay for the cost of its entire plant with 22 per cent thereon.

Secretary Daniels in his 1915 report states:

Since the passage of the naval act of June 7, 1900, the Navy Department has spent \$76,195,960 for armor for its ships. It is believed that if the intent of Congress to order the erection of a factory had been carried out at that time the Government would have saved enough money on armor plate to own a plant as large as that owned by all three of the private companies, and in the meantime to have supplied the armor plate for its own ships at a less price than it has been compelled to pay.

It is only fair to say further that when the passage of the bill for Government manufacture of armor was imminent in the Senate the armor makers offered to reduce their price from \$425 per ton, which we are now paying, to \$395 per ton. Subsequently, as an evident bid for public opinion to defeat the bill, they offered to allow their cost sheets to be examined by experts

and to accept contracts for a small per cent of profit, to be agreed on. From the course that these gentlemen had previously pursued, however, Congress is warranted in declining to stay action on the bill, for if the opportunity to pass the bill escapes it may be found convenient to withdraw the armor makers' generous offer of cooperation. This view is supported by the fact that officials of at least one of the armor makers threatened, if the bill was passed, that pending the erection of the plant the armor makers would require the Government to pay an increase of \$200 per ton on armor, so that when the Government plant was ready for operation the armor makers would have been paid the full value of their plants from this excessive profit.

In view of the foregoing considerations it seems impossible to escape the conclusion that money for the Public Treasury could be saved by Government manufacture of armor. In this connection attention is called to the great saving which has resulted from Government manufacture of munitions. A few years ago the Government paid \$1 per pound for powder. It is now producing just as good powder at the Indian Head works for 34 cents per pound, including all overhead charges and interest on the plant. Even the private powder makers are now selling powder for as low as 53 cents per pound. In 1913 the War Department purchased 7,000 4.7-inch shrapnel at \$25.26 each. At the same time the same shrapnel was being manufactured at the Government works for \$15.45 each. For 3.8-inch shrapnel \$17.50 was paid, compared to the cost of Government manufacture, \$7.94. Calissons for gun carriages are manufactured at Rock Island for \$1,128.67. Private concerns charge \$1,744.10 for these calissons. Many other similar comparisons might be made. For instance, 14-inch guns are made at Government works for something less than \$60,000 each. Some months ago Midvale and Bethlehem asked \$79,000 each for these guns.

Government manufacture gives better wages and conditions for labor. It gives honest manufacture, no shams and frauds. It cuts out the big items of profit, of waste, of interest on watered stock and fraudulent bonds. It eliminates all the evils inherent in big business.

The specifications under which armor is made are as difficult as human ingenuity can devise. It is safe to assert that the cost of armor is greatly increased by specifications which add little, if anything, to the value of the armor. The naval authorities do not concern themselves with cost. They are concerned with quality alone. A specification or test, which adds very slightly to the strength of the armor, is imposed, although it may tremendously increase the difficulty and cost of manufacture. The specifications are too theoretical and not sufficiently practical. If the Government were making its own armor at its own plant, it is safe to say that the tests would be practical in every instance. Fancy tests and extreme specifications would be moderated. Even if private manufacture is to be continued, changes in these respects are much to be desired.

THE PUBLIC WELFARE DEMANDS GOVERNMENT ARMOR MAKING.

I have called attention to the fact that the enormous sum of over one hundred millions has been spent by the Government upon armor for its ships. The chief part of this has been spent within the last 10 years, during the development of our Navy. The profits upon these contracts for armor have been many millions, and have been a great temptation to the firms engaged in the business. These firms have always been in close touch with our Navy Department. In numerous instances naval officers have resigned their commissions in order to take employment with the armor makers. The relations between our naval authorities and the armor makers have been most intimate. The armor makers have had their champions in Congress. They have never lacked for a spokesman and a defender. Without any intimation that there has been corruption, it may be asserted with the utmost confidence that the big interests engaged in this business have exerted a tremendous influence upon Congress and Government officials.

The men who make armor are human like the rest of us. The influence which they have exerted upon the Government has been a selfish influence and for the advancement of their own interests. The armor makers are not less selfish than other men who are in business not for pleasure or patriotism but for what they can get out of it.

A close study of the development of our Navy discloses the influence of the armor maker. I refer to the CONGRESSIONAL RECORD of March 20, 1916, and to the article of one who is said to be the foremost British expert, Arthur H. Pollen, upon the needs of our Navy. This article calls attention in the most emphatic way to the fact that our Navy is lop-sided in heavy ships. We have ample armored ships for our defense, but there is a deficiency in fast cruisers and other unarmored vessels. In the British Navy there are four cruisers and seven destroyers to each capital ship. The United States at present has no battle cruisers and its few armored cruisers are comparatively slow and out of date. It is also woefully deficient in destroyers. According to the new preparedness program, in 1925 we are to have 27 battleships, 41 cruising craft, and 108 destroyers. This will give us $1\frac{1}{4}$ cruisers and $3\frac{1}{2}$ destroyers to each capital ship. To put our fleet on the British basis, which it must be admitted is as near perfection as human ingenuity and experience can devise, our program when completed will leave us 120 cruisers and 100 destroyers short of the number we should have for our capital ships, so that our Navy still will be unbalanced in the proportion of armored to unarmored ships.

What significance attaches to the foregoing comparison between our Navy and the British Navy? It is this: The armor makers need business, and they have had enough influence with those influential and in control of increases in our Navy to cause such ships to be built as suited the interests of the armor makers instead of the Navy. The fact as drawn from the experience of other nations is that we already have too many battleships for the number of cruisers that we have. The addition to our Navy should first be made in the way of unarmored cruising vessels. It seems reasonable that at least three-fourths of the proposed entire increase in our Navy should be made in unarmored vessels.

It is urged that we shall spend \$500,000,000 in an increased naval building program. This is a big stake to be won, and those who play for it will exert their powers to the utmost. With the armor maker eliminated as a selfish interest, it must

be admitted by all that there is a better chance that the money will be spent with an eye single to the public welfare.

There has been a great disposition recently to belittle our Army and Navy, to decry the efficiency of our means of defense. It is asserted that we are practically defenseless. A systematic campaign has been carried on to alarm the American people, to inspire them with fear. Our dangers have been grossly magnified and our national perils exaggerated in a shameless manner. Topping this, we have had a dishonest and unpatriotic criticism of our means of defense. We have had "The Battle Cry of Peace," syndicated articles in the newspapers, dishonest editorials, paid lecturers upon the platform, and by every means the ears of the people have been assailed in the effort to make them afraid for the safety of our country.

I do not mean to intimate by this that all the agitation for a larger Army and Navy has been based upon selfish motives. Many honest arguments have been advanced and many thoughtful and intelligent men, inspired by love of country and the purest principles of patriotism, have insisted that our means of national defense should be strengthened. But to those who have gone below the surface it is very clear that much militaristic clamor, insistence on conscription in time of peace for unnecessary military service, and exaggeration of fears for the public safety has been inspired by selfish motives. There have been a number of selfish organizations, masquerading under patriotic titles, engaged in this work. Some of these selfish organizations have succeeded in bringing into their membership many well-meaning people, whose fears they have played upon and whom they are using to give respectability to the work in which they are engaged. I refer to the Navy League as one of the worst of these organizations.

The moving picture called "The Battle Cry of Peace" is financed by the Navy League. It is a good picture from the "movie" standpoint, but from the standpoint of honesty, patriotism, and good public morals it is a most shameless exhibition. Persons not well informed, viewing this terror-inspiring production, tremble at the peril which hangs over our country and are made afraid for our liberties and American in-

stitutions. In the skill with which it is designed to rouse the fears of the people in the furtherance of its vicious purpose, it is hellish in its ingenuity.

The Navy League, which finances this false "Battle Cry of Peace," is an organization which was thoroughly exposed upon the floor of the House by Hon. CLYDE H. TAVENNER, of Illinois, in a speech which he made on December 15, 1915. It was then shown that practically all of the 19 founders of the Navy League were closely allied with the munition makers. Conspicuous among them we find the late J. Pierpont Morgan, chief owner of the Carnegie Co.; the Midvale Steel Co., which appeared in its capacity as corporation and not by any officer; and Charles M. Schwab, the inspiring genius of the Bethlehem Co. Robert M. Thompson, who was one of the founders of the Navy League and is now its president, is also head of the Nickel Trust—nickel being the chief metal used in making armor. Practically all of the leading spirits of this organization were in some way connected with munition making and with the reaping of rich profits from dealing in war matériel.

I insist that the public welfare demands that profits be taken out of the making of war materials. The temptation is too great for the men who are engaged in that business. They do not want war, perhaps, but they want this Nation for a customer for their products. They want a customer and want the customer to buy. They want big armies and big navies, not wholly for national protection but also to create a demand for their wares. Taken as a whole, the interest which powerful aggregations of wealth have in supplying the Government with munitions makes them dangerous to the public peace. If these gentlemen were taxpayers merely and did not eat from the Public Treasury far more than they contribute to it, they would be conservative, sober influences, tending to restrain national passions and prejudices. As it is, they and their minions and their newspapers and their echoes all over the land become factors of danger.

I would restore these gentlemen to their equilibrium as honest citizens. I would place them back in the position of the great

mass of the people of this country, which loves peace and finds its greatest profit and welfare in peace with all the world.

Another point which we should have in mind is that so long as we look wholly to private sources for our supply of armor plate, we are not secure that it will be furnished. It would be easy for the ownership of the armor-making companies to pass to foreigners who might belong to nations hostile to our country. It would be a singular predicament if, when war should be imminent, we should find that our enemies had bought up our armor plants and had quietly dismantled them or rendered them ineffective. The public defense, with which many patriotic persons are now so much concerned, is scarcely safe so long as the chief element of it is under the sole control of private parties.

Again, it takes from two to three years to build an armor plant. What would our country do with war declared and the necessity for armored ships apparent if the armor makers should calmly demand \$500 or \$1,000 per ton, or any other extravagant price, for their armor? The ready answer will be "confiscation," but this is no answer when you consider that the armor plants are connected with other steel works and are not operated separately, and that after all it is the men who make the armor and who run the business successfully that we would need rather than the mere naked machines and furnaces. With the force that runs the plant scattered and gone, it would take months to make satisfactory armor. Besides, confiscation by the Government of an armor plant without the consent of the State in which it is located presents almost insuperable legal difficulties.

WHERE THE ARMOR PLANT SHOULD BE LOCATED.

It is my purpose in a brief way to show the advantages of the vicinity of Birmingham, Ala., as the site for a Government armor factory. I am firmly convinced that this section of the country is better suited as the location for a plant of this kind than any other part of the United States. It has every advantage of climate, accessibility, raw materials, labor, transportation, security, and healthfulness.

Birmingham is located in the north-central section of Alabama, in the Appalachian foothills. It is now a rapidly growing city

of about 165,000 inhabitants, and is in a rapidly developing industrial section, with ample supply of coal, iron, and other raw materials. This city, founded in 1871, had a growth during the decade prior to 1910 of 245 per cent, which is a fair indication of the industrial advantages which it affords.

Security from attack should be the first consideration in locating a Government plant. It should not be possible for any sudden raid of an invader to capture the works and to destroy their usefulness. The armor plants now in the United States are all located near Philadelphia. In fact, within a radius of 200 miles of that city are found practically all the works which might be used to supply materials for war. Should an invader overrun this small territory, the balance of the wide expanse of our country would be practically paralyzed for inability to obtain weapons, and so forth, wherewith to fight. Birmingham is about 275 miles from Mobile, which is the nearest seaport, and is some 400 miles from the Atlantic seaboard. The country is of a nature easy for defense. No enemy's raid short of the substantial occupation of the country could ever endanger the plant. It would be far more secure than it could possibly be if located upon the Lakes or in the coast region.

The transportation facilities enjoyed by the Birmingham district are excellent. These facilities consist of nine trunk lines of railroad, giving ready access to every part of the country. Since the completion of Lock 17 on Warrior River we have slack-water navigation to within a few miles of the city. Armor plate manufactured at that point could be barged on slack water to Mobile at a minimum cost.

It has often been said that Birmingham makes the price of iron for the world. We have immense deposits of red iron ore lying alongside of the Warrior coal field, which affords an unlimited supply of fine coking coal. In places the coal and iron measures are only 2 to 3 miles apart, and intervening is found excellent limestone for fluxing. Large deposits of brown iron ore are also found in the vicinity. The nature of these raw materials and their close proximity has made the situation an ideal one for the manufacture of pig iron. It is claimed that pig iron has been manufactured in the Birmingham district for

as low as \$6 per ton, and it is said that under present conditions, with increased labor cost and other increases of a similar nature, our pig-iron cost is about \$8 per ton.

The pig iron used in the Birmingham district is excellent for steel making. In a suburb of the city is located the works of the Tennessee Coal, Iron & Railroad Co., where steel rails are manufactured in large quantities. The coal found in the district yields a fine quality of gas necessary in steel making. There is also an ample water supply and timber, fire clays, and other raw materials necessary for manufacturing.

In choosing a site for an industry the matter of climate should be considered. The healthfulness of Birmingham is well known. A report for February, 1916, shows the white death rate to be only 10.08 per 1,000 per annum. The summers are not excessively hot. The temperature rarely goes above 87 degrees, and the summer humidity is not nearly so great as in the Ohio Valley. No days in summer are too hot for work. Sunstrokes are unknown. The altitude of the district ranges from 500 to 1,000 feet, and the nights are always comfortably cool. The winters are mild with temperatures rarely below 25 degrees. Farmers frequently plow in January, and all kinds of work may be done in the open air when it is not actually raining.

The growing season of the Birmingham district is long. Gardens are planted in early March and killing frosts rarely occur before the middle of November. Live stock may be kept on pasture during the entire winter. The cost of living as applied to housing, clothing, fuel, and other similar items, is fully 25 per cent less than in the region of the lakes. With the development of the trucking industry, for which the soil and climate are admirably adapted, fruits, vegetables, poultry, and dairy products should be as cheap as anywhere in the country.

The exceedingly agreeable climate of the Birmingham district should make employment in industry in that vicinity highly attractive to labor. Employment in a manufactory located there would likely be sought by the very best class of native white labor. There are at present in the district many mines, furnaces, pipe works, rolling mills, steel works, railroad shops, and

so forth, which have already brought together large numbers of high-class working men, many of whom would no doubt be glad to be employed in a Government plant. There could, under no circumstances, be any shortage of labor.

The community of Birmingham is noted for the progressive qualities of its citizens, and especially for the intelligence and good character of its laboring population. It is provided with ample churches, schools, and other similar institutions. Its people are patriotic and well informed upon public questions. While it retains in a very large measure the old spirit of hospitality for which the South is famous, there is nothing bourgeois, reactionary, narrowminded, or exclusive about it. The social life is upon a high moral plane with little of the pretense, affectation, and display usually characteristic of big cities.

If the Government is to go into the business of manufacturing armor plate, and this I am firmly convinced it should do without delay, much will depend upon the selection of a proper site for the plant. Such location should be made solely upon the merits of the site. I believe that a fair consideration of the merits of the section for which I have spoken will cause it to be chosen.

Against Conscription.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, June 23, 1916.

The House had under consideration House joint resolution No. 242, to draft the National Guard into the Army for service in the Mexican trouble.

Mr. HUDDLESTON. Mr. Speaker, I would gladly remain silent during the discussion of this measure, but my conscience forbids that I do so. The measure is one of the very greatest importance. I doubt whether this body in all its history has considered a matter of more vital moment. It proposes to abandon the traditions which we have cherished from the beginnings of American history, to depart from an ideal rooted deep in our past and underlying the very foundations of our institutions. The question which we are now considering is whether we are to adopt the methods of European militarism, whether the principle of compulsory military service is to be recognized and approved as valid and legitimate.

The resolution under consideration empowers the President to draft the National Guard for service in the Mexican trouble, to use the militia, if he should be disposed to do so, in the conquest of Mexico. The word "draft," used as it is in the resolution, is a mere euphemism. In the sense in which it is used it is to me a most hateful word. The word "conscript" should be used, for that is at least plain and honest. What the resolution really does is to "conscript" the members of the National Guard for service in the United States Army. The purpose of the resolution is to seize on the men who have been entrapped into the militia and to force them, against their will, into the Army. They are to be forced as unwilling soldiers onto the firing line. Mothers are to be robbed of their boys and children of their fathers, so that the flame of battle may be fed. The conscripting officer is to become a common institution. He is to be the fireside guest and visitor at American homes. He is to be permitted to come into the homes of this land and to take away their cherished protectors to go

as unwilling wearers of our uniform. Let us not for a moment delude ourselves with the thought that the "draft" is a mere formality. It is a real thing, real conscription, the same forced military service as exists upon European battle fields to-day.

The conscription of American boys is unnecessary. We are confronted with no real emergency. The adversary against which our mighty engines of war are being put in motion is a most humble one. Poor Mexico, distracted by revolution, impoverished, bleeding out her life's blood upon a hundred battle fields of civil war, is to be the object of our attack. Mexico, in her best and bravest days a poor match for the United States, is now, in the weakness of her sickness and poverty, to be assailed.

Mexico has a population of only about 15,000,000, about 40 per cent of which are Indians, 45 per cent mixed bloods, and less than 15 per cent whites. The United States has a population of 100,000,000 on continental America alone. According to the most recent figures available, Mexico's annual revenues are less than \$75,000,000; our revenues are well above \$1,000,000,000 per year. Mexico is torn and distracted internally, divided into many hostile factions, impoverished by rebellion after rebellion. Her soldiers are mere guerillas, without any sufficient arms or equipment. She has no fleet for the protection of her ports, no factories for the manufacture of arms and supplies, no foreign trade by which to obtain the instruments of war. The United States has the finest Regular Army in its history; its equipment represents all that money can buy and ingenuity devise. To-day our factories are turning out war supplies and munitions in unprecedented volume. We are better prepared for war to-day than ever in our history. We have a mighty fleet, more than three times as strong as at the outbreak of the Spanish War. In 24 hours we can blockade the Mexican coasts and shut off all intercourse with the outside world. If there ever was a time when no emergency justifying conscription existed, now is that time.

Oh, I do not doubt that Mexico will fight; I do not question the courage and patriotism of her people; but what can men do without arms and munitions and without money to buy them? Mexico's credit is at its lowest ebb. Her only money is paper currency, which is depreciated to a trifling per cent of its face value. The war will soon degenerate into a pursuit of bushwhackers and guerillas. Our soldiers called to the front will see plenty of service, but its chief hardships will be heat and thirst and hunger and the pursuit of bandits over deserts and rugged mountains. The conquest of Mexico and its pacification will take years, perhaps a decade, and we will be well

weary of the task before it is done. It is, in the main, work for regular troops, not for men taken temporarily from business and industry.

The conscription of the members of the National Guard is unnecessary in another sense. These boys are willing to go; fully nine out of ten of them will gladly volunteer and go to the front. Only those will hold back who have families which require their presence at home—wives, mothers, and children, to whom they owe a higher duty than the duty of fighting under the existing circumstances. The man who leaves dependent ones to suffer or to exist on charity in order to go for service in the Mexican trouble performs no patriotic duty. There is nothing high or noble in such an action. It may even be an act of moral cowardice deserving of reproach. The one man out of ten who will not volunteer would much better be left at home if he has duties which keep him there or if he is too unpatriotic to fight.

Conscription of the National Guard as proposed by this measure is an insult to every patriotic guardsman. It is a gratuitous insult and affront. It places him in the Army, not as a patriotic volunteer, going gladly to the service of his country, but as a conscript, branded by compulsion. The passage of this measure places a stigma upon every man in the National Guard. These men will not be able in future generations to point to a record as volunteer soldiers. They will be able to point their children only to the record of a "conscript," of a soldier who had to be forced to fight. I am unwilling to place the brand of "conscript" upon the brow of the National Guardsmen.

I am able to understand the pride which a soldier may take in the name "volunteer." I remember well the bright Sunday morning of the 1st day of May, 1898, when I shouldered my rifle as a private soldier and started for the mobilization camp at the outbreak of the Spanish War. I had not even belonged to the militia, but had volunteered for the service of my country. I remember the pride that I took in myself and my comrades as volunteer soldiers. I was sustained and comforted throughout the trials of my service by the thought that I was serving freely and of my own accord, and always I have looked back upon my service as a soldier with a feeling of pride and added self-respect because I was a volunteer. I am unwilling to rob the boys who are now patriotically presenting themselves for service at the front of the proud name of "volunteer." I am not willing to brand them as conscripts, as those who must be forced to serve their country.

I know what a soldier must encounter even in camp, the privation, the hardships, the homesickness, the discouragement, the disease, perhaps even death. Some of the boys who are torn from their mother's arms will not come back. They are going willingly, even gladly. I would not rob them of a single flower from the wreath of "volunteer."

The National Guard was organized chiefly under the act of 1914, which does not require service outside of the United States. Men enlisted under the law of 1914 for a period of three years only, knowing that they could not be used except for national defense and that they could not be sent into foreign service. All of these men have served a part of their enlistment and many have only a few weeks or months remaining to serve. All of these men, without regard to length of their enlistment or its terms, are seized upon under the pending measure and compelled to serve in the Army, not for the unexpired part of their enlistments but "during the entire emergency," not to exceed three years.

When the men belonging to the National Guard enlisted they entered into a contract and took an oath of service of a definite time and for a certain period. For any violation of that contract they are subject to punishment. Any violation of it constitutes a moral wrong. The pending measure assumes that the contract of enlistment is binding upon the guardsmen only, that it is not binding on the Government. The Government now proposes to itself violate that contract and to force these men to serve for a longer period than they had agreed and in a foreign service which they had not undertaken to perform. This constitutes a gross violation of faith with the guardsmen. They have been trapped into enlisting into the National Guard, and now, because of their training, they are to be forced into further and additional service. I hold that by this course our Government will be guilty of a gross moral wrong and injustice.

In all our previous wars volunteers have been relied on. Washington never commanded a conscript. Jackson had no conscripts under his command at New Orleans. In our colonial wars, in the War of the Revolution, in all our Indian wars, and in our previous War with Mexico only volunteers were used in connection with the Regular forces. Conscription was not resorted to. At the beginning of the Civil War, Congress authorized an army of 500,000 volunteers. In the darkest days of the Union, at the close of 1862, a measure of ostensible drafting was passed by Congress. It provided for the taking of names of men of military age in States which had failed to furnish their quotas of volunteers. It allowed exemption to be

purchased upon payment of \$300, and provided that any man drafted might furnish a substitute. The first attempt to enforce it caused rioting, with serious bloodshed in New York City. Out of 2,800,000 men who took part in the Civil War on the Union side less than 20,000 were enrolled under the drafting act. It can not be said that drafting contributed to any material extent to the preservation of the Union.

Since the settlement of America, except for the trifling drafts of the Civil War, no hour has been so dark as to demand conscription for public defense. Conscription is hostile to our ideals and institutions. It is dangerous; it is destructive in its tendencies; it will prove harmful in the end. It is absurd to resort to conscription under the present circumstances, when we have heretofore so carefully avoided it. I wonder if the souls of the great American statesmen of the past, of the great Democrats who always opposed compulsory military service, are not disturbed to-day.

At the outbreak of the European war the British faced the central powers having only 175,000 regular soldiers. No greater crisis ever confronted any nation. Britain had a strong force of territorials, which had enlisted for home service only and which corresponds roughly to our National Guard. Though the emergency was great, there was no breach of faith with the territorials. The British Government's obligation was kept in dignity and good faith. Yet the great Government of the United States, with all its resources and power, confronted by an adversary pitifully weak, breaks faith with its National Guard and conscripts them for a foreign service and for a period for which they did not enlist.

It should be reiterated that the measure requires guardsmen to serve during the entire Mexican emergency, not exceeding three years, although there may be only a few weeks of their enlistment yet unexpired. Conscription of the whole people, of all able-bodied men, would at least have had the merit of equality. This conscription act has no such merit. It seizes only upon those of a special class—the guardsmen. It conscripts a select few, chosen because they have had some little military training and are, peradventure, better fitted to perform the service than other men. There are thousands of young Americans fit and capable for service, many of whom have seen service in the militia and in the Regular Army, who have no dependent wives and families and will be making no great sacrifice by enlisting, who are ready and willing to volunteer if given the opportunity. I would assert that in a real emergency 5,000,000 American soldiers can be raised as volunteers. The British

raised over 4,000,000 volunteers in the present war, and have only recently passed a conscription law. I do not accord to any nation or people a higher patriotism than our own people possess.

It is enough to fill one with deep amazement that a measure for conscription should be proposed. That such a measure is unnecessary is most obvious. It is improper and uncalled for. Then why in the name of common sense should it be proposed? What is the occasion for it? The proposition to conscript men for service in the American Army at this time of no real emergency is merely a step in the march of militarism in which, little as it is realized by the great mass of the people, we have already gone a long way. The past two years have seen the greatest development, of the spirit of militarism in the United States that ever occurred in our history. The militarists have seized upon the terror inspired by the great tragedy of the European war to fasten their views on our country. The influence of a powerful section of the press has been secured by fair means or foul. The ears of the people have been filled with clamor for soldiers, ships, arms, and equipment.

The present Congress has appropriated for military purposes, outside of the Mexican trouble, about \$50 per annum for each head of a family in the United States. All this in obedience to the demand for "preparedness." The added burden of \$50 per man, which, of course, must be met, by indirect taxation, has been placed upon every father of a family in America. But this is only a small detail. Arrangements have been made and plans perfected for continued increases in our Army and Navy—increases to be augmented from year to year and from which there is no promise of relief. The increase in equipment and organization carries a necessity for increased enlistments. More men are needed and still more. And now the cry is that sufficient enlistments to keep up the strength of the Army can not be secured voluntarily; that we must have universal compulsory service. Conscription has at last raised its ugly head in America and must be dealt with as a vital issue.

Perhaps the people back at home do not realize it. Perhaps the common men in Alabama, Illinois, and elsewhere, the great masses, do not yet realize that there is a small but highly influential coterie in our country, a mere handful of men, but so powerful that they are able to shift the scenes upon the stage, control the sources of information, counterfeit the public voice, and mold popular opinion; that this coterie desire to import into America the military ideals that have been the curse of Europe. We have our militarists who are just as

pernicious and active as those who have cursed the countries of the Old World; we have our militarists who would turn America into an armed camp and would subject our free citizens to military serfdom. The American militarists are anxious to try conscription here. It is their purpose to set a precedent, to accustom the people to the idea of conscription, to dignify compulsory service so that the people will more readily submit to it. I would not for a moment intimate that those who father or support the measure now before the House desire to carry out the purposes of the militarists. To the contrary, they are the mere puppets of the situation which the militarists have created. They are clutched by the system and can not break away. They are forced to yield. It is the irony of public service that those who have honestly and faithfully opposed the fell purposes of the militarists are compelled by the exigencies of the occasion to yield to a false public clamor at this critical juncture.

I claim for myself no wisdom nor patriotism superior to any who may support this measure. I do not compare myself with them at all. I am not concerned for their reasons, motives, nor processes. Each Representative has his own responsibility to meet and his own duty to discharge as he sees it. My big concern is that I shall do my own duty as an American Representative should. I have thought on this subject a great deal. I have considered it carefully. I take my position upon it with all deliberation. Calling in question no Representative's wisdom, I assert for myself that the young men of the National Guard should not be conscripted. To draft them is to conscript them. There is no mistake about that. I assert that no circumstances exist which constitute an emergency, nor which justify conscription; that the national defense is not jeopardized; that the militia is willing to go voluntarily and does not need to be forced. I am unwilling to stigmatize our National Guardsmen as conscripts or to rob them of the honor of serving voluntarily. I refuse to join in establishing a precedent for conscription. I refuse to fix upon the American people the hateful methods of European militarism.

It is easier to go with the majority, to follow the crowd. It is easier to bow to the storm and to wait for fair weather. It is easier to yield to clamor when selfishness, insincerity, and prejudice use specious patriotism as an issue. For my personal convenience and interest, I should much prefer to meekly acquiesce in this measure. Conscience will not permit me to do so. My sense of duty to my country, my loyalty to American institutions and ideals demand that I stand firm. The glorious

heritage from our fathers, the memory of their brave deeds and heroic sacrifices, the hopes which the honest lover of his country must ever cherish for its true greatness in the generations that are to come, force me to stand by my convictions. I do not doubt that I shall be criticized. My action will be made the further excuse for the wolf who would devour the lamb, but to such considerations I refuse to yield.

50134—15968

Justice to Confederates.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, July 10, 1916.

Mr. HUDDLESTON. Mr. Speaker, on Monday, June 26, 1916, the House, having under consideration the Army appropriation bill, adopted an amendment which I offered repealing section 4716 of the Revised Statutes. The bill carrying this amendment as a rider, after being passed by the House, was sent to the Senate, where it has been reported favorably by the Committee on Military Affairs, so that the measure embodied in the amendment will doubtless become a law in a few days.

My amendment, the effect of which was to make Confederate soldiers and their widows eligible for pensions, has excited much public interest. Newspapers, especially in the South, have expressed hearty approval of my action in offering the amendment, and in consequence I am receiving many letters making inquiries on the subject. Few of these letters have come from my own district. I attribute this to the fact that only one of the newspapers in my home city has mentioned the adoption of the amendment or printed anything concerning the matter. However, as nearly all these letters of inquiry come from former Confederate soldiers and their widows, I have felt impelled to answer them at length, explaining the purport of the amendment and the effect that the repeal of the statute will have.

I have felt it my duty to explain at length on account of my high respect for the class of persons from whom the inquiries come. It has occurred to me that the scope of the amendment and its meaning should be explained in full in the CONGRESSIONAL RECORD, so that all persons interested may have access to the information.

Section 4716 of the Revised Statutes, which is the statute under which those who served in the Confederate Army or aided the Confederacy are made ineligible to receive pensions, is as follows:

No money on account of pension shall be paid to any person, or to the widow, children, or heirs of any deceased person, who in any manner voluntarily engaged in or aided or abetted the late rebellion against the authority of the United States.

Under this statute soldiers who had been pensioned for service in the Mexican and Indian wars were dropped from the pension rolls. Men who served in the Regular Army and Navy after the Civil War were made ineligible to receive pensions. Dependent parents of sons who lost their lives in the Regular Army and Navy could not be pensioned. Widows were denied pensions

for the death of a husband or son. If a man had in any way aided or abetted the Confederacy, had served under its flag or sympathized with it, he, and after his decease his widow, were forever barred from eligibility as pensioners. In short, the Confederate soldier and sympathizer, his wife and family, were selected as the one class to whom under no circumstances would pensions be paid.

Under the statute the Confederate soldier and sympathizer, his wife, and children were selected as the peculiar objects of the Government's displeasure. Pensions were paid to parents who were not citizens of the United States on account of the service of their sons in our Army. In 1915 residents of foreign countries to the number of 4,660 were on our pension rolls. Even criminals were pensionable. Of all classes of persons this statute raised the bar only against those who had aided or abetted the Confederacy and their wives and children.

The harshness of the statute (sec. 4716, R. S.) was recognized soon after its passage, and its severity has been softened by a number of amendments. By act approved March 3, 1877, the statute was amended in so far as it applied to persons who, after the Civil War, entered the United States Army and were disabled therein. Again, by act approved March 9, 1878, it was amended so as to restore to the pension rolls pensioners of the War of 1812 and the Indian wars, whose names had been dropped on account of their connection with the Confederacy. By act approved July 29, 1887, it was provided that section 4716 should be repealed in so far as it was applicable to persons who had served in the Mexican War. Persons who had served in the Black Hawk, Creek, Cherokee disturbances, and Seminole wars, were, by act of July 27, 1892, excepted from the statute. By act approved August 1, 1892, the statute was again amended so as to make pensionable those who had been disabled while serving in the Navy after the Civil War. Again, by act of April 18, 1898, the statute was repealed in so far as it applied to parents of soldiers of the Spanish War.

By the adoption of the amendments which I have mentioned, section 4716 and its prohibitions were left applicable only to Confederate parents of soldiers serving in the Regular Army and Navy other than in the Spanish War. The old Confederate men and women against whom the statute was thus left as a bar comprised a very limited number of persons. However, with the conscription of the National Guard for service in the Mexican trouble many thousands of young men of the South have been called into the Army. Many of these patriotic young soldiers are sons of Confederate veterans. Some of them have mothers who are the widows of Confederates, who are dependent upon them for support. It would be a most outrageous injustice to draft these southern boys into our Army under such terms as would make it impossible for their dependent parents to receive pensions if their boys should lose their lives in the Army.

It would be an action unworthy of our great Government to draft our southern boys into service upon terms which discriminated against their parents. They must receive equal treatment. The parents of soldiers from the South must be placed upon an equality with parents of soldiers from other parts of the country. The offer of my amendment to repeal the

discriminating statute was timely, and its adoption by the unanimous voice of Congress was inevitable.

The purpose and effect of my amendment should not be misunderstood. It does not give pensions to Confederates or their widows as such. It does not grant pensions for service in the Confederate Army. It merely repeals the statute which forbade that pensions should be paid them on any account. It takes down the bar and places the old Confederate and his widow upon the same footing as other citizens. In other words, if a former Confederate soldier has rendered a service for which the law would give anyone else a pension he is enabled to receive the pension notwithstanding his Confederate service. For instance, if the son of a Confederate or of a Confederate's widow loses his life in the Regular Army and Navy, or in Mexico, his parents dependent upon him for support may be pensioned just as though they had not aided the Confederacy. His parents are placed upon the same footing as other people.

From the newspaper accounts of the amendment, some former Confederates have been given the impression that they are to receive pensions from the Government the same as though they had served in the Union Army. This is a great error. No pensions are to be paid to them or to Confederate widows on account of Confederate service. The repeal of the statute serves merely to wipe out all disability on account of such service.

The matter of the payment of pensions by the Federal Government to the Confederate soldier has been frequently mentioned during recent years. It has now come to be generally recognized in the North as well as in the South that the Confederate soldier was a patriot, that he was conscientious in his service, and that in serving his State after it had seceded from the Union he believed himself to be performing the highest duty of a citizen. That the Confederate soldier fought nobly and well, that he was a brave and chivalrous soldier has never been denied even in the midst of our bloody civil strife. As the years go by the disposition increases to look upon him as a high-minded patriot who served his country as he saw it and who suffered and bled for his convictions. The old Confederates are passing away. Few and fewer gather at their reunions. Soon they will live only in their splendid history. With all this has come a fairer and more generous spirit over the country, as a whole, to give some recognition by the National Government to those who fought on the losing side in the sixties.

Unfortunately, there are yet many who can not see the way clear for the National Government to do anything in a material way toward making more easy the declining years of the old Confederate veterans. Principle seems to be in the way. Principle seems to forbid that the Government against which these men felt it a duty to take arms should appear to reward them for their action. It is to be hoped that some plan may yet be devised by which some aid can be given to the old soldiers of the South. Many of them would decline to receive pensions from the Government. They would consider that a question of honor was involved and that the acceptance of pensions would constitute a betrayal of the cause for which they fought. Others would perhaps look upon the matter in a different light. I personally know that many of these old soldiers are in dire need

and are eking out a bare existence upon the small pension which they receive from the States. I wish that some way might be found by which the National Government consistently with proper public policy might give some material aid to destitute Confederates and their widows in a manner in which the most delicate sense of honor would permit its acceptance.

My friend the gentleman from Arkansas [Mr. TILLMAN] has introduced a bill which has for its purpose the payment of the cotton tax and the proceeds of captured and abandoned cotton into a fund from which Confederate soldiers and widows might be aided. This seems to me a good solution of a vexing question. The National Government has no moral right to this money. The persons to whom it rightfully belongs are dead and their heirs are scattered, and the proof is gone with which to sustain their claims. I trust that the committee having the Tillman bill under consideration will make a favorable report on it and that the Confederate beneficiaries may approve the proposal. I shall be happy, indeed, to support the measure to the utmost of my ability.

Mr. Speaker, although I am heartily in favor of same, I fear that the delay in acting upon the generous measure proposed by Mr. TILLMAN indicates that it is not favored by the committee, and therefore will not be enacted into law. It seems more than doubtful that Confederate soldiers and their widows may hope for any material aid from the Government. These brave spirits, it seems, will be left to console themselves with the glorious memories of their struggles and sacrifices.

I am proud that I was able to contribute my mite toward their recognition and relief by securing the repeal of the statute which discriminated against the Confederates. The advantage which they may receive from my action may not be great. It will testify, however, to the love, respect, and veneration which I cherish and which I am proud to acknowledge for the noble men and women of the Confederacy.

51564—16026

EDUCATION FOR USEFULNESS

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 22, 1916



WASHINGTON
1916

74026--16889



SPEECH

OF

HON. GEORGE HUDDLESTON.

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 11250) providing for Federal aid for vocational education.

Mr. HUDDLESTON. Mr. Chairman, education of the masses is the imperative requirement of every democracy. Without it no government of and by the whole people can be good or successful. When the masses are without education, democracy is in danger, and the liberties of the whole people are threatened.

The education required for successful self-government is not mere literacy and acquaintance with letters, the ability to read and write; it must include training to think, to reason, and to decide upon public questions. Ability to read is in itself a source of danger when the power to discriminate, to accept the true and reject the false, does not accompany it.

Always the affairs of government have been under the control of the few, of a small class which by reason of its wealth, prestige, and superior opportunity was able to impose its will upon the many. In former years the few were able to control public affairs through selfish or corrupt bosses and similar influences. With the spread of literacy the many have been reached and public opinion has been controlled through the press and other printed propaganda. Though the form of the government be a democracy, it is plain that there can be no real and effective democracy unless the masses are trained to think for themselves, to have the courage of their convictions, and to reject the poison which selfish interests are able to distill through the corrupt newspaper and the false printed page.

Education in its broad sense has no particular relation to letters. A man is not educated merely because he is filled with the lore of schools and familiar with books. Education in the big sense is training, training in self-control of mind and heart and hand. A man may be illiterate and yet have a mind so trained that he may set it to grapple with a problem, as a skilled workman would use his hand upon a machine. We of the latter time are too prone to look upon the knowledge of printed books as all sufficient and to lose sight of the great purpose of true education which is to fit a man for the duties and responsibilities of life so that all the world may be happier and better because he has lived.

Education in its narrow scholastic sense is merely a kit of tools which enables the mental workman to perform his task more easily. The illiterate man goes into life with his bare hands. He can not use the tools fashioned by the experience of others. He must make his own ax with only rough stones to shape it. His hammer, his saw, and his plane are created by

his own experiments, with his bare hands and of crude materials. That an illiterate man may do fine work is possible; that his task is more difficult and requires a higher ingenuity, greater initiative, and more industry and determined effort is absolutely sure.

In every civilized community in the world the State either in its general or local form has assumed responsibility for many of the phases of liberal education, especially those of an elementary grade in which the large majority of children are concerned. It is an accepted principle of social organization that the State should encourage individuals to develop and exercise all those functions which are useful to society. Private agencies like the home, the church, the press, the stage, and the library contribute much to liberal education, but it has been demonstrated that many elements of liberal education can be guaranteed to all alike only through State action.

In progressive communities the State is also assuming responsibility for phases of physical education. This is evidenced by laws requiring the teaching of hygiene; by public control of such phases of school environment as seating, building, textbooks, facilities for play, and other factors of a hygienic nature; and, finally, by the development of a medical inspection of school children and the use of school nurses to make this medical inspection effective. Though this physical education is not, directly speaking, a part of liberal education it is expected to react on it and it also possesses ends of its own which justify State action.

By vocational education is meant all that training and instruction whose controlling purpose is to enhance in a permanent fashion the productive capacity of the individual. Vocational education thus aims primarily at developing the capacity for self-support and capacity to produce a surplus, but it also aims to insure that capacity for self-support which shall be of a prolonged character, and, at least, not antagonistic to physical, civic, and cultural well-being. That is vocational education which aims to train the producer, the worker, the wage earner in different callings. Education for law, medicine, salesmanship, stenography, farming, stock raising, trades, factory specialties, or household management is all vocational education. Vocational education may aim to give not merely the immediate technique, skill, knowledge, and insight necessary, but also to give the general intelligence, the ideals and appreciations of civic situations, and the physical wholesomeness which will insure, as far as practicable, growth in productive capacity, satisfaction in work, and the capacity to develop and maintain good social relations with other producers, whether fellow workers, employees, employers, or consumers. Though vocational education and liberal education may have essentially different aims they mutually reinforce each other. Any division of organized knowledge or skill may be made an end either of vocational or of liberal study. Music is a vocational study for the musician, and a liberal study for workers in other fields. Cotton manufacturing may be studies for cultural purposes by boys and girls destined for other callings or for vocational purposes by those who are to specialize as producers in this field. To the workingman some study of law may have a cultural or civic significance, but such study is vocational mainly for the lawyer.

It is the highest duty of governments to concern themselves with the education which will fit their people for citizenship. Such education no less includes the ability to earn a livelihood than the knowledge of letters which gives the individual a larger outlook on life. Man's first necessity is for bread. That he must have. It is a mockery to take up the child's time with a training which leaves him at its end unable to earn a living. A minimum of necessities of food, clothing, and shelter is essential to peace, good order, and the public welfare. Every interest of public health, economics, and spirituality is bound up with the well-being of the humblest member of society.

Education needs to be practical and for a certain and definite purpose. College men are often scoffed at as being unfitted for any useful vocation, as having been taught a smattering of many things with a thorough knowledge of nothing. Education as a whole is less popular with the masses because of the general impression that it is based on faulty principles. There is much ground for this criticism. Too close have we adhered to the idea that education is designed to make "a scholar and a gentleman" instead of a useful man. Too closely have we followed the old ideal of seeking by our schools to duplicate the type of the English country squire, an amiable, accomplished, brave, and high-minded parasite on society.

I have often feared that certain sections of America have followed the old ideals in education more closely even than the people of the Old World. We have been more conservative even than they. Too much are our boys encouraged to enter the professions. More brains is frequently required in business and industry than in professional life, and the rewards are greater. Frequently a high-class and useful mechanic is spoiled in the making of an indifferent physician or lawyer. Ridicule is sometime heaped on professional men that they are more poorly paid than a good mechanic; but this is not a matter for sneers nor even for comment, for often the mechanic is the more useful citizen and frequently expends more talent and energy in his work than the professional man in his calling. Even our trade schools are devoted too much to teaching theory instead of practice and to fitting men for superintendence and the higher branches of industry. We have too many men trained for engineers of various kinds and for managers and foremen. Too many are trained to aspire to be officers, when the great need is for privates in the industrial army.

Public education is the cause of the masses. It is their only hope and their vital necessity. The wealthy classes can always be sure of such training as they desire for their young, but the man who toils for a day's wages must educate his boy and his girl at the public school if they are to be educated at all. The common man should make the public school his chief concern, for upon it depends the future of his own children and all similarly situated. As a citizen he should bend his every energy to see that the public school is properly equipped and maintained and that the course of instruction is practical, such as will fit the common people for the life that they are compelled to lead whether they will or not, a life of usefulness and self-support. And since the welfare of the masses, the producing class, is of chief importance, every patriot, every lover of his country, whether he belongs to the workers or not, should make the public

school the object of his deepest solicitude. All men are indeed brothers and all must stand or fall together, but though the citizen fails to recognize this eternal truth he must still cherish public education if he would preserve the institutions of our country.

The vocational education that I contend for is that which fits the youth of the land to make its way in the world, that teaches horse sense and good judgment as applied to the business of earning a living. Such training should produce better mechanics, better-kept homes, better farmers, and more fruitful fields. By it the workingman will increase his output and must be secured in a larger wage and shorter hours of labor for a day's work. By it the yield of the farm will be enhanced so that the cost of living will be reduced, farm incomes multiplied and reflected in better farm dwellings, more of the comforts of life, rural life made more attractive, and the farming population increased.

In providing for vocational education we should carefully preserve the democracy of the public school. It is the Nation's real melting pot, where prejudices of caste and class are broken down and where young Americans learn to respect their fellow citizens of differing types, blood, and antecedents. It is the mightiest influence in our great young Nation to soothe the antagonisms of varying sects, parties, and associations. We must be careful to preserve this democracy. Those who expect to enter manual occupations must not be segregated from their fellow pupils, but must be kept in close touch with them, so as not to constitute a separate class. We must not make the mistake which has been made by some European countries where children designed for useful occupations are from the beginning separated from those who are seeking a mere liberal education.

The vocational education which I support is not that which would teach a mechanic a trade. It would not fit him to enter directly into a vocation or to avoid a reasonable period of apprenticeship. The training should be general and fundamental. It should be such as perhaps to shorten the apprenticeship, but it should not take the place of a period of practical instruction under the guidance of a skilled workman.

In dealing with education for industry we should keep in mind as our chief consideration the interest of labor rather than that of the industry itself. The matter should be handled from the standpoint of the workman instead of that of the employer. We should not interfere with the apprentice systems of the trade-unions, and in no respect should the labor organizations be antagonized. We must bear in mind that the trade-unionists comprise a majority of the highest class skilled workmen. No system of vocational education can hope to be successful except with the cooperation of organized labor. We should recognize that organized labor is the best judge of its own problems and of labor questions generally, and should be guided largely by its advice. Above all other things, we must be absolutely sure that any system of vocational instruction is not used to oppress labor or to destroy labor's organizations. It must not be possible to train pupils in vocational schools for use as strike breakers or for other direct effect upon labor disputes. No instrumentality of government should be permitted to inter-

vene other than by mediation and advice in any ordinary labor dispute.

By the bill under consideration an aggregate of \$38,400,000 is appropriated for vocational education for the next 10 years. This is a small sum compared with the over \$650,000,000 appropriated for the current year alone for our Army and Navy. The appropriations proposed for next year for preparation for war aggregate about \$800,000,000, so that in the 10 years in which we are spending \$38,400,000 for education of the people for purposes of peace it is proposed to spend the vast and inconceivable sum of eight billions of dollars for war. Think of it, \$38,400,000 for welfare and happiness, \$8,000,000,000 for ruin and disaster. I would much rather reverse the expenditures, for with a productive people in a state of comfort and well-being, peace is assured, while for a nation burdened with tremendous taxes for militarism and saddled with a powerful and complex organization for fighting, war would seem inevitable.

I am for preparedness for peace, the only preparedness worth while, the preparedness which multiplies homes in the land and adorns and furnishes them, which promotes good morals and a higher spiritual life, which makes more useful and productive citizens, and gives to the world more food and more of the comforts of life. I am for preparedness for peace. It means pure religion, better physical life, and a better-founded love for liberty and for American institutions. It means the development of civilization and evolution into a higher and nobler existence for mankind. [Applause.]

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CONSCRIPTION IS UNDEMOCRATIC
—
SELFISHNESS AND DECEIT OF
MILITARISTS EXPOSED

SPEECH
OF
HON. GEORGE HUDDLESTON
OF ALABAMA

IN THE
HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 10, 1917



WASHINGTON
1917

75975—16910



SPEECH
OF
HON. GEORGE HUDDLESTON.

**Conscription is Undemocratic—Selfishness and Deceit of
Militarists Exposed.**

Mr. HUDDLESTON. Mr. Speaker, the militarists having succeeded in committing Congress to a policy of vast increases of Army and Navy, now take the next step in their program and demand conscription. Taking advantage of the world-wide terror inspired by the European debacle, they caused Congress to appropriate for the current year over \$650,000,000 for military preparedness, and are now demanding \$800,000,000 for next year. Having insisted last year that a standing army of 500,000 was necessary, they now increase the figures to 1,500,000, with a reserve of 1,500,000 additional.

In their new demands the militarists carefully avoid the use of the word "conscription"; they use the euphemisms "universal training" and "universal service." The scheme, however, can not be disguised with agreeable words. Conscription is what they are demanding; conscription in its true and odious form; conscription as real and oppressive as now exists among the embattled nations of Europe; conscription which drags the boy from his mother's side, the father from the bosom of his family, and places them in the ranks as unwilling soldiers in time of peace; conscription with all its crushing weight upon the people, its denial of personal liberty, its espionage, its hateful methods of registration and interference with the freedom of men to come and go, to live their lives, and to seek happiness and well-being in their own way.

Conscription as a system is universally feared and hated. No nation has ever been willing to endure it except under the fear of destruction. Prussia, the first of all to adopt universal military service, introduced it in 1806, when Napoleon had garrisoned all her important cities and had limited her standing army to 42,000. France adopted it after the terrible defeat of 1870, under the menace of a powerful and victorious Germany. The British yielded to universal service only after entering the second year of the present war, after having raised over 4,000,000 volunteer soldiers; and even as finally adopted it was not applicable to Ireland or the colonies. Australia voted conscription down two months ago, and our neighbor, Canada, though heroically responding to her duty in the great struggle, still declines to force her citizens into the ranks. How can it be, then, that the United States should accept any such system in a time of profound peace, when our friendship is courted by all the nations of the world?

Compulsory service in America is a new departure. In all our national life we have never had compulsory military service in time of peace. It can not be claimed that any emergency now exists. We are at peace with the nations and threatened by none. They court, they crave, our friendship. Under such circumstances it is necessary that the advocates of conscription should produce some strong arguments in order to gain a patient hearing.

For the purpose of making their hateful scheme more acceptable to the masses, the militarists have brought forth the claim that conscription is democratic; that it is a burden shared equally by all the people; that it promotes equality. To coat the bitter pill, they make the specious plea that as public defense is the duty of all, conscription laws will secure that the pains of performing that duty be equally shared by all. They assert that conscription is democratic. It is with this phase of the question that I wish specifically to deal.

WHO FAVORS CONSCRIPTION?

First, I would inquire, Where does the demand for compulsory service come from? What influences are back of the agitation which would in time of peace make us a nation in arms? Does it come from the friends of the people, from those who have concerned themselves with the welfare of common men? Does it come from those who have proven their faith in democracy? Or, on the other hand, does it come from those who hate the rule of the people and would delight to thwart it? Who are they that are carrying on this agitation and seeking to convince America that compulsory military service is democratic?

I call the roll of great democrats and humanitarians, those who have battled for political freedom and the rule of the people, who have striven to elevate the condition of labor, to make the lives of women and children and the voiceless under half of humanity brighter and happier, who have labored for peace, who have recognized man's duty to his fellow man in the universal brotherhood. No answer comes. Out of all the leaders in efforts to ameliorate the condition of mankind, no one answers in behalf of a system of conscription. To the contrary, with one voice they unite in denouncing it.

Where, then, does the support for this odious system come from? What classes favor compulsory service? I answer.

The military satrapy. Officers of Army and Navy, representatives of a system which is the very antithesis of democracy, an organization dependent upon a multitude of ranks in which each station adulates its superiors and despises those below it, which has its very breath of life in distinctions, differences, and their insignia, which finds its opportunity in increased numbers and has its honors and emoluments augmented by every humble private who may be brought into the ranks. The military system, with its manifold gradations, with its iron discipline, which has as its ideal the making of a senseless human machine with which the superior may work his absolute will; where the dangers and hardships are borne by the inarticulate men in the ranks and the honors and rewards are enjoyed by the wearers of gold lace and epaulets.

The great financiers. Owners of railroads and ships; capitalists of industry, who have heaped their millions out of the

sweat of the masses, and who desire patient and docile servants in their industries; men of great wealth, who hold in their hands the capital of the Nation; who are seeking investments in the weak and undeveloped countries of the world, where they may fatten on concessions of mines and railroads; who are demanding the open door for investment and exploitation in China, though it involve fighting a bloody war 6,000 miles from our shores; who plan the financial conquest of Mexico and South America; who would send the American flag into the remote corners of the world so that rich profits may be brought home to their coffers; these men who hate democracy, who fear it, who with their vast wealth are chiefly interested in preserving the established order, with a free hand to monopoly and exploitation.

War traffickers, munitions makers, builders of ships for the Navy, and contractors for Army supplies. Those who coin their profits out of human blood and suffering, who owe their affluence to the great tragedy, battle; men who, masquerading as patriotic societies, have fomented the fears of the people, have financed moving pictures to terrorize the people, and carried on a Nation-wide propaganda for vast increases in Army and Navy in order that they might sell their wares.

The parasite press. The corrupt newspapers, preaching the doctrines of reaction; subsidized by selfish interests; echoers of all the undemocratic voices in our country; pandering to the selfishness of the small percentage of our people who aspire through wealth and prestige to rule over the many; drawing their support from the classes, and always insidiously seeking to discredit the common people, to make them ridiculous, and to destroy their influence; always the advocates of capital in its disputes with labor; always praising those of place and importance and spitting upon the humble and unfortunate.

Sycophants and snobs. All those who hang upon the coat-tails of the great and imitate and praise wealth and power wherever it is found; aristocrats of new-found wealth and ephemeral prestige, scorners of hard hands and soiled clothing, the would-be elect and privileged.

I would not charge all who favor compulsory service as belonging to the classes I have denounced. No doubt many unselfish and patriotic men favor conscription, have been convinced that it is necessary; but in the main these have been misled by a false propaganda. The agitation has had its source and mainspring in the selfish and undemocratic classes.

I speak in scoffing words of those who favor the new policy of conscription, but my bitterness is only forensic and superficial. I do not hate them. Many of them are not conscious of their undemocratic tendencies. They are clutched in the grip of their environment, associations, and selfish interests, and do not realize where the road leads to. Again, many of them are sincere in thinking with Carlisle that the world advances through its heroes and that the masses are of little worth. They would not have America a democracy ruled equally by all its citizens. They regret that we have no aristocracy, no class privileged by law, which would give greater stability to society. I do not hate them, but I abhor their opinions.

CONSCRIPTION DESTROYS PERSONAL LIBERTY.

Compulsory service, to be effective, requires the subjection of conscripts to many months of training, preceded and followed by systematic registration so as to know where each man is at any moment and what his movements are. From the birth of the unfortunate designed for conscription, the Government must lay its hands upon him, direct his movements and training, so that at the age for service he may be brought forward in the best possible shape, spiritually and physically, to be placed in the ranks. This necessitates constant supervision over his life. It would regulate residence, occupation, schooling, mating, and every detail of his life up to the period of service, and even afterwards, so long as the conscript is subject to be called to the colors. Such a system is wholly incompatible with the freedom of action, constituting personal liberty. It is intolerable to a lover of liberty and wholly inconsistent with the spirit of democracy and self-government.

EXEMPTIONS TO PRIVILEGED CLASSES.

The plea for conscription is based on the assumption that the dangers and hardships of service would fall equally upon all alike. This is a false assumption. To the contrary, experience in conscript countries has shown that the privileged classes escape service through exemptions, substitutions, and evasions, while the hardships of service fall only upon the masses. Always the influential classes are able to escape the meshes of conscription laws by exemptions granted to educated classes and upper-class callings and by other privileges obtained by corruption or favoritism. Even in Germany in 1913 only 53 per cent of the male population of active service age were in the armies, while in Spain, Austria, Russia, and all other conscript countries, except France, the percentage under arms was much smaller.

It is one thing to pass conscription laws; another to enforce them. Always it is easier to enforce the laws against the poor and humble. If any may escape their meshes, it is the classes having wealth and influence. Let no hard-handed workingman expect to find the son of the capitalist serving alongside his son on terms of equality. A way will be found to avoid that. As a last resort there are unmerited promotions and soft places to be found, perfunctory duties to be performed, easy clerkships, and such like. The toil and the drudgery, the digging and the sweating, that will be reserved for the sons of the masses.

ARMY DEMOCRACY!

By the very nature of military organization it is antagonistic to democracy. It is the antithesis of equality. It has its multitude of ranks, each requiring unquestioning obedience and respect from its inferior. The ramifications of station extend from the commanding general down through a mystic maze of subordinates to the humble lieutenant who, while poor indeed, in the estimation of officers of high rank, is removed by an immeasurable gulf from the enlisted men, who in turn grade from supercilious sergeant majors through numerous carefully ranked petty officers down to the despised private. It is impossible that there should be any democracy, for there is no equality. Even among officers of equal rank the senior is the superior. The gulf that yawns between the lowest commissioned officer

and the enlisted man of whatever rank is so wide that even under the military laws of our own country, a democratic country, should the enlisted man upon provocation, no matter how great, so much as raise his naked hand against an officer, he may be punished by the penalty of death.

There can be no equality in hardship and danger in the Army, because on an average 1 out of each 15 is a commissioned officer, who has never served as a common soldier; a commissioned officer, who has been exempted from conscription in order that he might be trained as an officer, who is a professional soldier chosen for position of command not upon democratic lines for merit, but because he belonged to a rich or influential family and was able to get himself chosen or to enjoy superior opportunities of education which qualified him for a cadetship. Even under our present system the cadetships at West Point and Annapolis go to the upper classes. It is practically impossible for the sons of common men to enter the sacred precincts of the academies. Where the sons of the people have sufficient political influence to secure the nominations they are confronted with entrance examinations such as only boys who have had the best educational advantages can pass. The educational tests for admission are so exacting that few, indeed, are the high-school boys who can meet them without a special preparatory course. It is the customary thing for boys who have influence enough to get the nominations to be notified months in advance in order that they may take a special course of preparation for the entrance examinations. The masses can not afford to give their sons these educational opportunities, and the result is that they are almost wholly excluded from the Academies and have no opportunity to become officers.

With compulsory-service laws where it appears that all young men are to be forced into the Army, the pressure for appointments as officers will greatly increase, and the standards become more arbitrary, and closer and closer will be shut the door of admission of the sons of the masses into the exclusive circles of the Army and Navy. We will then have our military aristocracy of Army and Navy officers, powerful, jealous, and narrow minded; hating democracy and warring upon it with every impulse; separating themselves still more from the masses and thoroughly saturated with contempt for the man in the ranks. This is Army democracy!

The Army officer is a professional soldier. The existence of the Army is his necessity. He is not a two or three year conscript upon an equality with others but is trained for his life's calling. Also, the period of compulsory service will not afford sufficient time for training noncommissioned officers, so that we must have sergeants and corporals who are professional soldiers following the business as a calling and for what they can get out of it. We may expect these professional petty officers to be even more harsh in discipline and more overbearing toward the young conscript privates than the commissioned officers. That brutality and oppression toward the privates will be the common practice can not be questioned by anyone familiar with the conscript armies of Europe. Including officers, commissioned and noncommissioned, substantially one-third of the Army will be professional soldiers serving for rewards and

emoluments, to two-thirds young conscripts serving because they are forced to do so. There can be no democracy, because there is no equality, the privileges, honors, and rewards being reserved for the one-third and the hardships and drudgery for the two-thirds.

MILITANCY V. DEMOCRACY.

The spirit of the Army and Navy is undemocratic. They are inherently the most undemocratic institutions in America, and must of necessity remain so. Their teaching is all against democracy. Democracy teaches equality, that one man is the equal of another; militancy teaches that there is no equality between men, and that the gradations of rank represent conditions of real worth. Democracy uses reason; militancy, authority. Democracy is the rule of the majority; militancy, the arbitrary rule of one supreme head. Democracy gives respect to merit; militancy, to rank. To think for one's self and to act on the dictates of conscience are the highest attributes of a democrat, but in military life adherence to such principles brings punishment swift and terrible.

Molded by democracy, man is reasonable, kind, and just; shaped by militancy, he is machinelike, emotionless, and severe. Nations trained in democracy take on aspects of amiability and the higher courage; trained in militancy, they are divided into the domineering, officious, and self-assertive officer class and the servile, docile, and enduring conscript class. Conscription makes war on democracy. It destroys democracy, for it splits society into a multitude of classes and castes in which each is sure of his position, and there can be no change. The young conscript at the critical time, when his mind and will are forming, is placed under the dominion of those whom he must accept as his superiors, irrespective of their worth, is bent to their will, is trained to recognize differences in rank and to accept them as all-important, and to obey the commands of authority as justified under all circumstances. He is trained to respect and support conditions as they are and to accept and defend the established order. That conscription might make for stability and order there is little doubt. That it thwarts progress, stupefies the imagination, dulls initiative, and molds the citizen for civil life as dull, docile, and submissive must also be admitted.

The picture I draw of the effect of conscription on civilization is not imaginary. The effects I have pointed out are to be observed in the countries of Europe where the system has been tried. In those countries in which the most thoroughgoing systems of conscription have been enforced we find society least democratic. We find that the rule of the few is best established and most secure. We find the people divided into a multitude of petty castes, ranging from the supreme civic and social head down to the humblest bearer of the nation's burdens, each class worshipping the classes above and despising those below. We find society so subdivided as to require the services of an expert in order to properly seat guests around the table. We find those even of high station quibbling with each other as to who shall pass through a door first, and when a question is asked of two workmen on the street there is a precedence to be followed between them as to which shall answer it. Each

petty grade has its insignia, which it jealously guards; and social life as a whole seems to be based upon an uncomprehensible system of medals, ribbons, buttons, and decorations. Do we wish to import such a civilization into America? It is the natural outcome of compulsory service.

NO EQUALITY UNDER CONSCRIPTION.

Under conscription laws the burden of military service does not rest equally upon all. It rests at a given time only upon those of the age for active service, say, for illustration, from 20 to 22. All above that age escape, yet those innocent youths have least at stake of any members of society. They have neither property nor families to defend. If, for illustration, we should now adopt conscription laws all above the age of 22, all mature men, all men of property and families, would escape service. The hardship would fall solely on the young. True, if we should adopt conscription as a permanent policy, all hereafter on attaining the age of 20 would have to go through their period of service; but upon entering upon such a policy what justice or equality is there in exempting all above the age of 22? Should we not rather require them to bear their part of the burden of service? Should we not seek a fair percentage of all up to the age of 45 who may be physically fit and require them to do their part in our system of militarism? To place the whole burden on the immature young man is most undemocratic, for its essence is inequality.

BURDENS OF GOVERNMENT SHOULD GO WITH BENEFITS.

The plea that conscription is democratic is based on the assumption that the duty of public defense rests with equal weight on all. This I deny. Some citizens have much less interest in the public defense than others, they have less at stake, less to defend. The ravages of war outside of the horrors of the actual battle field fall chiefly upon property. Civilized armies do not make war upon noncombatants, and the chief fear of an invasion is for the destruction of property, which the invaders justify as necessary for the weakening of the resources of the enemy. We read of invasions and bombardments, with the confiscation of property, destruction of cities, and sinking of ships. The capture of a city does not mean the massacre of the people, but may mean the burning of buildings and the levy of tribute. The conqueror of a nation does not carry away its population into slavery, he exacts indemnity.

In the main and in final effect, wars are over property and for property. The man of wealth has everything to lose—his liberty and in addition his prestige and his property. The poor man has nothing to lose but liberty, and what is liberty worth if he must give it up in time of peace to a system of conscription? He might better take his chance and remain undefended to surrender to the first aggressor, for in the end he would only lose his liberty, and that he must lose at the beginning in a system of conscription.

All of this shows that the duty of public defense does not rest equally upon all. It is, of course, the duty of the humblest man to defend his country with his life if necessary, but the man of wealth owes the same duty, and in addition he has the added

measure of duty growing out of the fact that he enjoys the privileges that come out of affluence. I hold that the wealth of a nation should bear the chief part of the burdens of government, and that they should so far as possible be removed from the backs of the poor. This applies not merely to taxes but to the duties of government which must be performed by the individual. As between the rich and the poor the duty is not equal, because the benefit is unequal.

A system of public defense by conscription, even in time of war, is inherently undemocratic, even if the burdens should be laid equally upon rich and poor alike. The rich enjoy more benefits of government than the poor and should give more for them. When it is merely their lives that they hazard and their comforts that they sacrifice as soldiers, rich man and poor man have contributed equally, yet in the preservation of order, the administration of justice, the protection of property, and the escape from the payment of war indemnity, the rich enjoy immeasurably greater benefits than the poor. If it were a matter of hiring soldiers for public defense, no one would argue that the poor should pay as much as the rich. Personal service rests upon exactly the same basis.

It is clear that the burdens of government should be shared in the measure in which its benefits are enjoyed. It is sound democratic doctrine that public revenues should be derived from those best able to pay, and that taxes should be levied on property and not upon men. Of course, the payment of revenues is the least of the burdens of government. The increasing purpose of enlightened statesmen is to relieve the necessities of life from taxation, for the necessities are consumed by all, rich and poor alike, and to look for revenues to the luxuries and to the nonessentials of existence. In line with this enlightened policy, the burdens of war and preparation for war should be placed upon those best able to bear them, upon property, upon luxury. This principle is in direct conflict with the philosophy of conscription. Conscription places the burden of public defense and preparation therefor upon men equally per capita as a poll tax would be laid. A system of hired soldiery would place the burden upon property where other tax burdens are placed. Hence it is that conscription, the equal per capita sharing of the burden of public defense, is undemocratic in its very nature, for democracy demands that the burden of public defense shall be in proportion to the benefits derived from it.

Another reason why it is democratic that the wealth of the country should sustain its army and navy is that these instrumentalities are not only chiefly for the protection of wealth but the interests of wealth are most likely to cause war. I am not so cynical as to accept the argument that as a rich Nation we should fear an attack by impoverished European nations at the close of the war. I do not fear that any nation will turn pirate and robber and seek to despoil America. But, granting the argument, it is not our people as a whole but certain individuals among them who are rich. It is said that 2 per cent of the population of the United States own more than 60 per cent of all our wealth. Therefore an attack by a pirate nation for the purpose of robbery would be an attack not

upon the common people but upon those who have amassed the fortunes.

Apart from this idea, our Army and Navy are chiefly desired to support a foreign policy of aggressive commercial expansion, for high financiering in the Orient and South America, and for the exploitation of mines and railroads among weak and undeveloped peoples, thereby bringing us into sharp competition with the greed of European financiers. It is felt that our trade and financial interests will conflict with those of other nations and that war is a possible result. If our citizens will mind their home affairs and American financiers will confine their rapacity as heretofore to exploiting our own people and our own resources, there need be little fear of a war. But it is for capital that we must hazard the chance of war. Though not well known, it is nevertheless a fact that those back of our movement for preparedness have not been inspired by the fear that we may be attacked. Its real basis is in the desire to enter into competition with the plutocrats of Europe in the plundering of weak peoples and undeveloped countries, and this it is thought may lead us into war or to the necessity of being able to bully our way through. Now, then, since wealth has made the Army and Navy necessary, why should not wealth pay for it? If wealth has caused the need for soldiers, why should the common people, who have nothing worth while to gain from the venture of over-sea development and competition, bear the burden?

Outside of the classes looking for promotions and profits, the demand for conscription comes chiefly from the big taxpayers, not from the farmers, merchants, and home-owning classes, but from the big business and financial interests. Members of this class are above the age for service themselves, and they well realize that means will be found to exempt their sons. They would place the burden of service upon the masses, yet go free themselves. What can be worse tyranny than to seize upon the common man and subject him to a harsh military discipline and to the risks of war in order that he may defend a country to which he owes scarcely anything, while the wealthy, who owe comfort and happiness to the State, are not called upon to risk anything for it? What a mockery to speak of such a system as being democratic!

The militarists in their demand for conscription are inspired by motives which are not to their credit; the professional military man, by the desire for promotion and the elevation and security of his calling; the war contractors, by hunger for profits in outfitting ships and supplying armies; the financiers, by the desire for opportunity for speculation at home and abroad; captains of industry and exploiters, for the influence that iron military discipline will have in making their victims docile, obedient, orderly, and respectful to authority; reactionaries, in order to distract attention from humanitarianism and the amelioration of the condition of the masses, so that the pendulum may swing back to the good old days of 20 to 30 years ago of the unchallenged control of caste and privilege.

CHEAP SOLDIERS WANTED.

Apart from the considerations I have named, the agitation for conscription is based on the supposed need for more soldiers.

It is claimed that we need a standing army of 1,500,000, with reserves of 1,500,000 more. Advocates of conscription say that such numbers of men will not voluntarily enlist. I quite agree with this contention. No such immense armies can be raised in times of peace by the methods now used, but there can be no doubt that armies of reasonable proportions may be enlisted if we are willing to pay soldiers what they can earn in industry. Right here is the real reason for the agitation for conscription, though it is not often voiced. *Conscription will give us cheap armies. You do not need to pay a conscript anything.*

The militarists say that it would bankrupt the Nation to enlist big armies in competition with industrial wages. That is what they want—cheap soldiers. Again they would place the burden upon the poor. It is the way they have to obtain forced public service without paying adequate wages. Another undemocratic principle is thus exposed, for the wealthy can better afford to serve without wages than the poor young men who may have helpless parents dependent on them. I say that if the big taxpayers want armies, they should be made to pay for them, and the wages should be equal to the earnings of industry. We can enlist all the men we want if instead of paying them \$15 per month we pay them \$40 per month. For the current year Congress appropriated over \$360,000,000 for disbursement by the War Department. Of this more than \$20,000,000 went to commissioned officers and only about the same amount to private soldiers. The pay of the private soldier was a minor item. Why not multiply it by three or four if we want a big army? Why not give the big end of the disbursement to the thousands who carry the guns instead of to the few who wear the swords?

Our people are not lacking in patriotism. They are willing to serve when the need for service comes. They decline to enlist for the purpose of creating vast standing armies in times of peace, for they know that instead of big armies guaranteeing peace they tend to provoke war. One of the chief reasons why self-respecting men do not like to enlist in the Army and Navy is the undemocratic air that they are compelled to breathe. Free Americans are not willing to endure the superior airs of the average military officer.

If we wish to induce real men to enlist in the Army, we should democratize it. Every officer should earn his commission through a period of service in the ranks, and we should award commissions to practical military judgment and sound common sense instead of pursuing the Chinese method of making them the prize of pedantry and scholarship. What we want of officers is that they should be able to command men and to take care of their soldiers in the field, not necessarily that they should be linguists, mathematicians, and accomplished men of the world. They should be trained for the camp, not for the drawing-room.

New methods of war require intensive training for long periods. The day when raw militia might give a good account of themselves in the field has passed. The era of the professional soldier has come again. It has come not merely because of the methods by which war is carried on, but by the requirements of industry and the needs of society. But let us not make the blun-

der of trying to make every citizen into a professional soldier. Let us reserve the calling for those who choose to enter it. Let us not make the big mistake of surrendering our liberties in order that we may be prepared to defend them, for when liberty is surrendered, whether it be to our own privileged classes or to a foreign invader, surely there is nothing left to fight for.

If there be any sound argument in favor of compulsory service, I do not know what it is. I do know that conscription is undemocratic. I know that in its inherent nature, as are all militaristic schemes, it is destructive to equality and to the rule of the whole people. It destroys men's capacity to govern themselves as well as their opportunity to exercise their will. I hate it as I hate all things that are harmful to American ideals and destructive to American institutions.



THE NIAGARA GRAB

A Plea for Consumers of Hydroelectric Energy—Niagara
Belongs to the People; Why Should Corporations
Monopolize It?—Community Ownership
the Solution

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 24, 1917



WASHINGTON

1917

78324—16946



SPEECH
OF
HON. GEORGE HUDDLESTON.

The House had under consideration H. R. 20047 (the Cline bill), providing for the diversion of water from Niagara River for hydroelectric purposes.

Mr. HUDDLESTON. Mr. Chairman, this is a bad bill. It is a bill that the House ought not to adopt. It is one that if adopted we will spend a good deal of our time hereafter regretting.

I wish there was time in which to discuss this bill fully before the membership of the House. There are many serious defects in it. A half hour is wholly inadequate to point them out.

This bill is on the Union Calendar, but it ought to be on the Private Calendar. The title of it, "To regulate the diversion of water from Niagara River," is misleading. It ought to be entitled "A bill to grant for all time the water power of Niagara Falls to exploiting companies that have enjoyed that benefit for the last 20 years." That would, at least, be candid and advise the House in respect to the nature of the measure.

Twenty years or more ago the generation of electric power at Niagara Falls was entered into by the Hydraulic Power Co. and by the Niagara Falls Power Co. They were granted all the rights they asked for by the State of New York. They acted upon the theory that a riparian owner could do whatever he pleased. They have diverted the water as they pleased down to this very good day, and have never paid the State of New York one cent, except in the way of ordinary taxes, and have never paid the National Government one cent. In every measure that has been passed by Congress the rights of these two generating companies, these two exploiters of the people of western New York, have been carefully safeguarded. The Burton Act provided that only these same two companies should be permitted to use water under it. In the resolutions which were passed extending that act, every time it was provided that only those two companies should be permitted to continue to use the water or should have any advantage from it.

The other day, when we passed a resolution on the subject, we carefully provided that the water must be taken by those who are now using it. We might as well have mentioned in that resolution the names of the Hydraulic Power Co. and the Niagara Falls Power Co., and we might just as well put those names in this bill and give them exclusive privileges at Niagara Falls, for by the construction of this bill we have made it impossible for any other person or concern to come in and get a permit. This bill is so framed that it is absolutely impossible that there should be any competition with these two concerns. The other

day the attorney for one of these concerns, after having given careful consideration to the bill, and having objected to some of the provisions that have been forced into it by amendment in committee, remarked to a member of the committee, "There is one thing about this bill; you have fixed it so that nobody can get any benefit out of these Falls except the two companies that are now getting it." That was at least candid; and I want to say to you that nobody who has made a study of this bill can for a moment doubt that statement. You are perpetuating concerns which have no right to be perpetuated; you are perpetuating a privilege which has never been granted by the people of the United States; you are making permanent the ownership and control of rights which have been usurped and which have been grossly abused.

I say these rights and privileges have been abused by these two companies. Why do I say that? Because they have been allowed to do just as they pleased for the last 20 years. They have been allowed to sell power to whomsoever they chose to sell it; they have been allowed to charge whatever they wanted to charge; they have been allowed to discriminate among consumers at will; they have abused these great privileges with the utmost tyranny toward the people of western New York.

I do not represent anybody in western New York. They have their Representatives here; able, and no doubt they have their own views about this matter, and I do not cavil with them. But I have heard voices from western New York. Still, small voices have come to me; the voice of the inarticulate mass of the people of western New York has come to me to plead against the perpetuation of this exploitation. I may not have heard the majority voice. Perhaps it is the minority voice. You know, a man is like a wireless-telegraph system. He hears what he is tuned to hear. Just as the installation must be tuned to gather a certain message, so must the man be tuned to gather a certain message. I have been tuned to gather the message of the exploited class; I have been tuned to gather the message of the masses of the people; I have been tuned to gather the voice of the man who has no newspaper, of the man who uses current in a small way, of the man who toils, of the man who has corns on his hands. I want to say to you that if you are tuned to catch that kind of a voice you can not give your vote in favor of this bill.

This bill purports to deal with the Niagara River above the Falls. Some of you gentlemen perhaps do not know that there is just about as much power possibility below the Falls as there is above the Falls. The fall from the foot of the Falls to Lake Ontario is about 100 feet. There are vast possibilities in the way of power development in the lower part of the river. This bill deals with the upper part of the river. It makes it impossible that permittees under this bill should develop that power with the greatest head, with the greatest efficiency.

It makes it impossible for them to develop the power at the greatest efficient head. Over on the American side we are now developing power, one of the companies, at a 212-foot head, and the other, I think, at a 140-foot head. On the Canadian side they are just about to install a development at 305-foot efficient head. That means something. Every foot you allow water to fall adds one-eleventh of a horsepower for each cubic second-foot to

the power that may be generated. We are fixing it in this bill so that there can be no efficient development on the American side. We are fixing it so that this water will have to be turned back into the river, and if there be any development below the Falls the water will have to be taken out again, carried through tunnels at vast expense, and then dropped into Lake Ontario with much of the power lost. Why should that be done? Because there are two concerns there whose interests we have to protect. That is why we should do it. Because there are concerns there already with installations that are employed to develop electric power and therefore it will not do that we should provide that full 305 feet or more in order to get this power for the benefit of the public.

I was amused by one statement in the majority report filed on this bill. It says this:

Every phase of the situation has been patiently and carefully considered, and in the opinion of the committee the provisions of the accompanying bill do no violence to any interest, and fully conserve, promote, and protect the rights of the United States, the State of New York, the companies operating at the Falls, and of the users and consumers of electric current, and yet preserve the scenic beauty of the Falls.

The committee says in its report that this bill "protects the rights of those who are operating" at the Falls. I insist that these concerns have no right which should be protected. Congress has never granted them any rights, but for 20 years they have sat there and taken toll from the people and overcharged them for current and discriminated and abused their privileges and have heaped up their millions, and they have been more than paid back every cent that they ever invested in their plants. One of those concerns has a vast capitalization that is all water, not a single dollar of real money invested in the capital stock, and every year they pay 8 per cent on all their millions of water in addition to the 5 or 6 per cent to the bondholders. They have got \$5,000,000 hoarded up in their treasury. They have hoarded up their money until they have got a surplus of \$5,000,000 in their treasury out of unjust and outrageous charges.

Mr. LINTHICUM. Is it not a fact the State of New York gave them the right to construct and use the water before the United States Government ever took jurisdiction over the subject?

Mr. HUDDLESTON. I will answer the gentleman. The State of New York gave those people anything they asked for. The State of New York attempted to give the same rights in reference to these waters as it has given away elsewhere in the same State. Only the other day the Supreme Court of the United States, in the case of Long Sault, and so forth, Co. against Call, held that no State had authority or power to grant any rights in a navigable stream; that it had no right whatever to do it; that such a grant was absolutely void; that the States only controlled navigable streams in trust for the people and could not grant them away, but must manage them as trustees.

Mr. DEMPSEY. Will the gentleman yield? I wanted to refer to the decision. I think the gentleman misapprehends the effect of the decision.

Mr. HUDDLESTON. I must ask the gentleman not to interrupt me. The gentleman undoubtedly will have time in which he can expatiate on the decision. The gentleman knows lawyers differ sometimes.

Mr. DEMPSEY. I have the decision in my hand.

Mr. HUDDLESTON. I suppose that gives the gentleman a correct interpretation of it. I have also held it in my hand. [Laughter.] There is not time sufficient to discuss this bill as fully as it ought to be. It is full of faults. You can drive a four-horse team through it in a dozen places. But I want to talk to you and show how these companies have treated the people of western New York in their charges. They are imposing upon them. They are not giving them a square deal.

The schedule rates for power on the American side range up from \$20 per horsepower. I got these figures from the New York Public Service Commission. From that figure it runs up to 8 cents per kilowatt hour. Now, on the Canadian side what do we find? We find the electrical situation over there is under the control of a public commission, a commission which is not trying to make any profit out of the people, but which buys 100,000 horsepower from Canadian hydroelectric concerns, who are right across the river from the American developers, at \$9 per horsepower. On the American side the companies are selling power at a minimum of \$20 per horsepower.

Mr. SNYDER. That is \$20 per horsepower per year?

Mr. HUDDLESTON. Yes. On the other side, right across the river, they are selling at \$9 per horsepower. This Canadian commission is delivering that power to 100 or more municipalities in Ontario at prices which are shockingly low when we compare them with the prices being charged on the American side.

On the Canadian side at Niagara, following our example, about 15 years ago the Government granted to the Ontario Power Co., Canadian-Niagara Falls Power Co., and Electrical Development Co. the right to divert water for power purposes, and these concerns started out upon the same general plans which had previously been followed on the American side. However, they have not been permitted to continue in that fashion.

In 1905 the Legislature of Ontario incorporated the Hydroelectric Power Commission as a public cooperative agency, with authority to purchase or generate power and to transmit the same for distribution among Ontario cities and towns at cost. Under this plan 99 communities in Ontario are now being served.

While authorized to construct works for generating power, the Canadian commission considered it proper to respect the investments of the existing generating companies. There were already three companies with generating plants on the Canadian side having quantities of power available for sale, so that the commission, not desiring to interfere with them, followed the course of asking those companies to bid to supply it with power at a price which would protect their bondholders and shareholders. As the result a contract was entered into with the Ontario Power Co. for 100,000 horsepower for 30 years at \$9 per horsepower.

The entire 100,000 horsepower was not used at the beginning. It was to be delivered at the bus bar of the company to the commission. The latter constructed transmission lines to various cities as they accepted the plan and the amount of power increased each year until at present when the entire 100,000 horsepower is being taken. In addition to this the Canadian commission is generating power at Severn, Wasdells, and Eugenia Falls, and has six plants in operation in the "Trent."

The most recent report of the commission to which I have access is for the year ended October 31, 1915, and my facts are taken very largely from it.

The commission is purchasing power at \$9 per horsepower from the Ontario Power Co., at Niagara, and is generating it directly at the other points mentioned. It is being transmitted practically all over Ontario, almost every city and town being supplied. The power is sold to the municipalities at cost plus the expenses of the commission and an amortization charge based on a 30-year plan. The municipalities own their own distributing systems and sell the power to consumers substantially at cost.

At the date of the report referred to the commission had assets of \$12,900,000, practically all of which consisted of its works. The cities had, together, \$17,600,000, consisting of reserves of \$3,400,000 and their distributing systems.

Over on the American side, at Buffalo, one-fourth of the distance from the point of generation that Toronto is, they are charging \$20 to \$200 per horsepower, and the basis is 8 cents a kilowatt hour. It is a sliding scale that goes down to about 4 cents. The price on the American side is more than double what is being charged in Canada. And this does not apply to the city of Toronto alone. There are 99 cities in Ontario that are getting the benefit of this system. Toronto consumers before the cooperative system was instituted paid 8 cents for domestic current and—

Mr. STAFFORD. Will the gentleman yield?

Mr. HUDDLESTON. In just a moment.

The city of Toronto, with a population of 470,000, received power at \$14 per annual horsepower and in turn charged consumers 3.9 cents per kilowatt hour for domestic and 2.8 cents for commercial current. Toronto consumers before the cooperative system was instituted had paid 8 cents for domestic and 12 cents for commercial current. During 1915 in Toronto alone \$1,393,000 was saved to consumers by the cooperative system. Toronto uses 100-watt lamps for street lighting; they cost \$8 per annum, figuring 74 cents per capita for street lighting.

The city of Hamilton has 101,000 population. Its power cost is \$14 per horsepower. Its 100-watt street lights cost \$8 per annum. It sells domestic power at 3.7 cents per kilowatt hour and commercial power at 1.9 cents. The previous rate was 8 cents, and over \$250,000 was saved to its consumers in 1915 alone.

Now I yield to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. The gentleman's statement has furnished me with the information I desired.

Mr. HUDDLESTON. London, with a population of 56,000, pays 55 cents per capita for street lighting. It sells power to domestic users at 2.4 cents and to commercial users at 3 cents. The previous rate was 9 cents per kilowatt hour. London saved its consumers \$263,000 in electric charges in 1915.

Windsor, with a population of 22,000, has a higher rate on account of its great distance from the point of generation. It pays \$38 per horsepower for power and distributes it at 4.9 cents per kilowatt hour to domestic users and 3.9 cents for commercial use. Its previous rate was 12 cents for domestic and 8 cents for commercial use. Windsor street lighting costs \$1.39

per capita. During 1915, \$35,800 was saved to Windsor users by the cooperative system.

The Canadian commission also supplies electric energy to farmers upon terms so cheap that they use it for thrashing, sawing wood, chopping ensilage, lighting, and other farm purposes. The average cost of current to farmers during 1915 was 5.5 cents per kilowatt hour.

In 1915 the Canadian commission served 120,000 different users. The lowest cost was 2.4 cents for domestic and 1.9 cents for commercial current. The average cost for all Ontario was 3.9 cents for domestic and 3.1 cents for commercial current. Prior to the beginning of the commission's operations the average cost of these same users was 9.3 cents for domestic and 10.4 cents for commercial power.

The demand for light and power under the just and economical methods of the commission is rapidly increasing. The commission is now installing a new plant at Chippewa and Queenston Heights. They will utilize the water remaining to Canada under the British treaty with an effective head of 305 feet, with the result that 300,000 horsepower additional will be produced.

On the American side the Niagara Falls Power Co. is diverting water with only a 140-foot head, and is getting, as I am informed, only 11 horsepower per cubic foot. The Hydraulic Power Co. has a 212-foot head and get about 19 horsepower per cubic foot. These concerns at present take 15,600 cubic second-feet and there remains to us under the treaty 4,400 cubic second-feet.

The difference between power cost in Ontario and the prices charged on the American side is shocking. I have been able to learn of no American consumer who gets power for less than \$16 per horsepower. This is the rate given to some of the big manufacturing concerns at Niagara. The lowest rate in Buffalo is \$20 per horsepower, from which price the charge ranges to as high as \$200 per horsepower. Buffalo users not of the favorite class take power upon a sliding scale, upon a basis of 8 cents per kilowatt hour with 1 cent off for prompt payment. This charge is double the charge in Toronto, which is more than three times farther from the point of generation.

I see no reason why we should not learn a lesson from Canada in the generation and distribution of hydroelectric energy. Why should we not have our own public agency to develop the available power at Niagara in the most efficient way, get the most energy we can out of the water we have, and sell it to our people on fair terms? Why should we allow a middleman's profit, or the profit of two or three middlemen, as the case may be?

The Niagara power generating and developing interests and their affiliations ramify through practically every big financial interest in America. Is not the arm of Congress strong enough despite the opposition of these interests to write a just and fair law for the development of Niagara power for the benefit of the people to whom it really belongs? Is it possible that we are to be forced to allow a private profit out of this great natural resource, the property of the people? Is the system so fixed on us that we must continue to allow the masses of the people, middle and small consumers, to be sweated and exploited by the rapacity of those who have fixed themselves at Niagara?

Mr. PLATT. I just wanted to call the gentleman's attention to the fact that that is done in Canada under State and not

under the Federal Government. You are going to take away from the State of New York authority to do anything of that kind.

Mr. HUDDLESTON. It does not make any difference whether the commission is created by the Federal Government or the government of one State. That has nothing to do with it. Under the Canadian system the Province of Ontario has the right to do this. The State of New York has not the right.

The State of New York has not any right in this power nor has any other State. The United States of America controls that power, and we should create a commission, the Federal Government should create a commission, to see that the people of New York are no longer exploited by these private interests.

Why can we not do it here? Why should the United States be the most reactionary country in the world? Why, Mr. Chairman, there is not a civilized nation on earth except the United States that considers it necessary to have a private go-between, a middleman, between a great natural resource, such as Niagara is, and the man who takes the product of that resource. Not a country. It is done in England; it is done in Germany; it is done in France; and it is done in Canada. Why can we not do it here? Are we more conservative than they? Is it one of the accepted political principles of America that in no instance will we allow municipal ownership? Will we not under any circumstances allow the people who own the resources to get the benefit from them directly? Will we insist always on giving our natural resources to some grasping, rapacious middleman to use them to oppress the people?

What they have got in Canada is in principle nothing more than municipal ownership, and that is what we ought to have in New York; that is what we ought to have at Niagara. We ought to have a district in western New York composed of the people who use this power, and they should be allowed to develop it for their own benefit without giving a profit to anybody.

Mr. TEMPLE. Do the municipalities or the Province or Dominion Government in Canada own the generating plants?

Mr. HUDDLESTON. The Canadian power commission, created by the legislature of Ontario, as I am informed, owns nine generating plants. Before the commission was created certain private corporations had been given rights at Niagara. That commission is not developing power itself at Niagara, but it is taking power from those developing concerns. But the commission is not confined in its activities to Niagara. There are other water powers in Ontario. At Port Arthur, 1,000 miles from Niagara, they have a plant owned and operated by this commission, generating hydroelectric power and selling it to the people at a price less than half what the people in Buffalo are getting it for.

Mr. TEMPLE. Do I understand that each one of the generating plants at Niagara on the Canadian side is a privately owned plant?

Mr. HUDDLESTON. They are, but one of them sells to this commission at \$9 per horsepower, and right across the river their American competitors are fleecing the people to the extent of a minimum price of \$20 a horsepower, right in Niagara, delivered at the company's bus bar.

Mr. SMITH of Minnesota. Is it not true that the same parties own the Ontario Power Co., on the Canadian side, that own one at least of the power companies on the American side?

Mr. HUDDLESTON. The Canadian Niagara Power Co. is owned by the same group of American capitalists from New York City that own the Niagara Falls Power Co. on the American side. Now, as to the Ontario Power Co. I have not specific information, but I have reason to think it is also owned by or affiliated with the same interests. It is all one thing. That is all it is. And I want to say this further, Mr. Chairman, right on that point—

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. In a moment. I want to say this, that these generating concerns, wherever you find them in the United States, are affiliated. They stand as one; they stand to keep the people from enjoying the benefit of their own natural resources. They keep a periodical going for the purpose of discounting and discouraging anything like municipal ownership and discrediting it and lying about it, trying to make out it is a failure. Whenever any effort is made in this House or in any other legislative body in the United States to provide for cooperative ownership it is met with the united opposition of all those concerns. Each one of them has its hand in the pockets of the people, and as a plunderbund they stand together for squeezing the people. Each one wants to guard his own interests first and then guard the interests of the rest of their crowd.

Mr. SNELL. Can the gentleman tell how much any of these Canadian cities have lost in distributing this power?

Mr. HUDDLESTON. They have lost nothing.

Mr. DILLON. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. DILLON. Can the gentleman tell us if these Canadian plants pay the Canadian Government anything for the use of the water with which they generate the power?

Mr. HUDDLESTON. Those operating and generating concerns on the Canadian side, as I am informed, pay 75 cents a horsepower to a park commission, which uses the money received to beautify a park around the Falls.

Mr. DILLON. So that the Canadian Government does get some advantage from it?

Mr. HUDDLESTON. They get it at \$9 per horsepower, and the concern that gets the \$9 pays the park commission 75 cents of it to beautify the park.

Mr. DILLON. Another question, if the gentleman will permit.

Mr. HUDDLESTON. Yes.

Mr. DILLON. Can the gentleman give me the total amount which the Canadian Government is receiving from these various plants per year?

Mr. HUDDLESTON. The amount is about 220,000 horsepower, so I am informed, and they get 75 cents per horsepower for the beautification of the surrounding country at Niagara Falls.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. SMITH of New York. I wanted, before the gentleman finished, to have him state his attitude in regard to Government ownership of water-power projects. As I understand the gentleman's position, he is opposed to private water powers in general. Is that correct?

Mr. HUDDLESTON. Most emphatically not. But at Niagara Falls, Mr. Chairman, where it is not an experiment—the demand for the power is there, the people live there, when the teeming millions of western New York are crying out for it, and when it is not an experiment in mechanical operation—where we know it will work, we know what it costs, and no chances are being taken on it, why should it be turned over to these private concerns that stake nothing, risk nothing, hazard nothing, in order that they may get the profit out of it? Unless a man is prepared to say, "I will never consent to the people owning and cooperatively managing the things they use"—unless a man takes that position, he ought not to oppose the public ownership at Niagara Falls.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. COOPER of Wisconsin. How many corporations are there between the water and the consumer of the electric current?

Mr. HUDDLESTON. There are in some instances three, and never less than two.

Mr. COOPER of Wisconsin. Yes.

Mr. HUDDLESTON. Oh, these generating concerns are not willing to take the trouble to fleece the people themselves. They do not do their own skinning. They farm out the business of skinning the people to intermediaries. The Buffalo General Electric Co. has that privilege in the city of Buffalo. They get that power at \$16.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. COOPER of Wisconsin. I yield to the gentleman two minutes more.

The CHAIRMAN. The gentleman from Alabama is recognized for two minutes more.

Mr. HUDDLESTON. They get that power delivered at Buffalo at \$16 per horsepower, a level amount of \$16 per horsepower, and turn right around and sell it to the people of Buffalo at from \$20 to \$200 per horsepower.

Mr. KREIDER. Mr. Chairman, will the gentleman yield for a question?

Mr. HUDDLESTON. Yes.

Mr. KREIDER. For information. Is the gentleman informed as to the amount of water taken from the Niagara River on the American side as compared with the amount taken on the Canadian side?

Mr. HUDDLESTON. I am. About 36,000 cubic feet per second is authorized to be taken on the Canadian side and on the American side 20,000 cubic feet per second.

Mr. KREIDER. What treaty or relation is there between the United States and Canada that governs the amount of water that is taken from the river?

Mr. HUDDLESTON. That is the treaty provision. I have been trying to find out why the Canadians were allowed to take so much more water from the river than ourselves. It looks to me as if we had the right to take as much water from the river as they have. It is as much our water as it is theirs. I was under the impression that our allowance was affected by the Chicago drainage canal. But I learned yesterday that it was done in order to protect great vested interests; that the great United States of America had conceded to Canada 16,000 cubic second-feet of water more than we get in order to prevent competition with American interests, so that the Niagara companies might have a monopoly. That is another reason why we should wipe out this incubus that has fixed itself upon Niagara. Let us wipe out this selfish interest. It stands in the way of development. It stands in the way of justice and progress. Not only are we allowing these companies to exploit our own people, but to serve their interests we are conceding to the people of Canada rights that belong to us. We ought to denounce the treaty and get all the water that belongs to us, a fair division of the water of Niagara, and develop it for the benefit of our own people. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

* * * * *

Mr. HUDDLESTON. Mr. Chairman, I offer the following amendment, and in connection with it I desire to give notice that if it be adopted I shall move to strike out the other sections of the bill.

The CHAIRMAN. The gentleman from Alabama offers an amendment which the Clerk will report.

The Clerk read as follows:

Strike out the first section of the bill and insert:

"Be it enacted, etc., That the short title of this act shall be 'The Niagara Power Commission Act.'

"SEC. 2. That the Niagara Power Commission be, and the same is hereby, chartered as a public corporation with the powers hereinafter granted.

"SEC. 3. That said Niagara Power Commission shall be governed, controlled, and operated by a board of three commissioners subject to the general supervision of the Secretary of the Interior, to whom they shall make reports, and who shall make and prescribe suitable rules and regulations for the performance of their duties under this act. Said commissioners, not more than two of whom shall be members of the same political party, shall be appointed by the President of the United States by and with the advice and consent of the Senate. One of said commissioners shall be designated by the President to serve for two years, one for four years, and one for six years, and thereafter each commissioner so appointed shall serve for six years unless sooner removed for cause by the President. The President shall at will designate one of said commissioners as chairman, who shall receive an annual salary of \$6,500, and the two other commissioners shall receive annual salaries of \$6,000 each, all salaries being payable monthly. Each commissioner shall within 15 days after notice of his appointment take and subscribe the oath of office. No commissioner during his continuance in office shall be an officer or director of any other institution.

"SEC. 4. That the business of said Niagara Power Commission shall be the production of electric energy from the waters of Niagara River and the distribution of same as hereinafter provided.

"SEC. 5. That said Niagara Power Commission shall have, hold, and enjoy for the production of electric energy the exclusive right to use and divert water in the United States in and from the Niagara River above, at, and below the Falls thereof, to the limit fixed by and under the provisions of the treaty between the United States and Great

Britain proclaimed May 13, 1910, and to that end said Niagara Power Commission shall have succession until it is dissolved by act of Congress, and shall have the powers under such rules as the Secretary of the Interior shall prescribe, to adopt a seal; to sue and be sued; to make contracts and incur liabilities; to buy, sell, and acquire property; to condemn lands, generation plants, works, and other property and easements therein; to construct works, dams, stations, and transmission lines; to lease, contract for, produce, and distribute electric energy; and generally to have all such powers of similar corporations as may be within the reasonable intentment hereof, and as may be reasonably necessary to carry on its said business; and for said purposes and upon approval by the Secretary of the Interior, may issue bonds and obligations bearing interest at not more than 5 per cent per annum, secured by mortgages on its property.

"Sec. 6. That the said Niagara Power Commission shall transmit and distribute, in the United States only, electric energy to municipalities and consumers convenient to its works and lines, justly and without unreasonable discrimination and as nearly as may be at the cost of delivery plus reasonable charges to cover the expenses of its operations, including the salaries of the commissioners, and plus such further annual charges as will be reasonably sufficient to discharge all of the obligations of said Niagara Power Commission so as to leave same free from debt at the end of a period of 50 years; *Provided*, That no distribution or sale of such energy shall be made for consumption within the corporate limits of any municipality which may be able, willing, and ready to assume the distribution of same therein.

"Sec. 7. That all municipalities receiving electric energy from said Niagara Power Commission shall in turn distribute so much of same as may not be required for municipal purposes to consumers within their corporate limits for a fair, just, and reasonable charge and without unreasonable discrimination therein, falling which such municipality shall not be entitled to receive such electric energy.

"Sec. 8. That said Niagara Power Commission shall use said waters at an efficient head and with reasonable economy, and shall pay into the Treasury of the United States for all electric energy which may be generated from said waters at the rate of \$1 per annual horsepower, and no franchise or property taxes, license, or charge shall be levied upon or collected from it by any State on account of the rights and franchises granted hereby, but the power of any State to levy valuation taxes on its other property is preserved.

"Sec. 9. That said Niagara Power Commission may license and authorize the use and diversion of said waters for the production of electric energy for not more than five years after the passage of this act, in which event said Niagara Power Commission shall have the prior right to take so much of the electric energy produced therefrom as it may require, paying a reasonable charge therefor, not exceeding at the rate of \$15 per annual horsepower, such electric energy to be distributed by said Niagara Power Commission as provided by section 6 of this act.

"Sec. 10. That the use or diversion in the United States of water from said Niagara River above, at, or below the Falls for the production of hydroelectric energy except as provided by this act shall be unlawful, and each act thereof shall constitute a separate offense and be punishable by fine of not more than \$5,000.

"Sec. 11. That this act shall take effect January 1, 1918, and the right to alter, amend, or repeal this act is hereby expressly reserved."

Mr. FLOOD. Mr. Chairman, I make the point of order against the amendment that it is not germane to the section or germane to the bill.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard on the point of order?

Mr. HUDDLESTON. I do desire to be heard on the point of order. Mr. Chairman, the title of the bill under consideration is "A bill for the control and regulation of the waters of Niagara River above the Falls, and for other purposes." That title with reasonable accuracy states the real purpose of the bill. The purpose of the bill is to authorize the taking of water from the Niagara River for the generation of hydroelectric power, and the bill goes further to state the terms on which the water may be taken and regulates the distribution of the power

and the sale of it. The bill authorizes the diversion of power by a public corporation. I call the attention of the Chair to the first paragraph of section 2:

First. No permit shall be granted hereunder except to a State or municipal corporation or political subdivision thereof, or to a public-service corporation or to a public-service agent of a State.

And so forth.

It also authorizes the grant of permits to private corporations. Of course, we all know it is not expected that any public corporation will get this benefit, but it is in the bill just the same. Now, the difference between the bill under consideration and the substitute that I have offered is in two things. I provide that this diversion of water and creation of power must be by a public corporation. I exclude private corporations and private persons. Furthermore, I create that public agency. The bill we have under consideration contemplates the creation of a public agency by the State of New York, whether it be a private corporation or a public corporation. The substitute that I have offered creates in itself, by virtue of the power of Congress, this corporation which will take this water from the stream. I can not see why it is not germane.

If one class of corporations may take it under the bill under consideration, why may not a substitute be offered that would authorize another class of corporations to take it? Would not that be germane? Undoubtedly so.

If we may pass a bill which contemplates the creation of a corporation by a State, is it not germane, instead of delegating that power to the State or allowing it to exercise it, that we shall exercise the power and create the corporation ourselves? How can it be said that this is not germane to the question?

The real subject is the thing that should be looked at. What is it? It is the diversion of the water from the Niagara River for the creation of hydroelectric energy and to provide for the distribution thereof. Is not that exactly what the substitute provides for? Undoubtedly so. I do not see how it can be said that the substitute is not germane to the subject matter.

Mr. FLOOD. Mr. Chairman, the purpose of this bill is to authorize the Secretary of War to issue permits to corporations or individuals to take water from the Niagara River above the Falls. That is the real purpose of the bill. In 1906 the Federal Government assumed control of the waters of Niagara River. Congress passed an act authorizing certain parties to divert from above the Falls 15,600 cubic feet of water. That law has expired. After that law was enacted, and before it expired, our Government entered into a treaty with Great Britain by which the Government was authorized to grant permits to the extent of 20,000 cubic feet of water per second, and the Canadian Government was authorized to grant permits for 36,000 cubic feet of water per second. Under the treaty, therefore, this Government has the right to grant permits to divert this water up to 20,000 cubic feet per second. There is no law authorizing the Secretary of War to carry out that right. The law we had has expired by limitation, and this bill is for the purpose of giving the Secretary of War the right to exercise the right we have under the treaty. That is the main purpose of the bill, and it further provides for regulation of the price of the power generated from this water by the public-service corporation of the

State in which the power is used. The substitute is an entirely different proposition. It creates a public agency to generate hydroelectric power. It creates a department of Government for the purpose of handling that hydroelectric power when it is generated. There is nothing in this bill that would justify an amendment being offered providing a department of Government for the purpose of controlling water power here or anywhere else in this country. For these reasons, Mr. Chairman, I think it is clearly not germane to this section or to the bill.

Mr. HUDDLESTON. If the Chairman will permit, I wish to call the attention of the Chairman to the treaty that has been referred to. The portion of the treaty relating to the subject under discussion is article 5, which is as follows:

ARTICLE V.

The high contracting parties agree that it is expedient to limit the diversion of waters from the Niagara River so that the level of Lake Erie and the flow of the stream shall not be appreciably affected. It is the desire of both parties to accomplish this object with the least possible injury to investments which have already been made in the construction of power plants on the United States side of the river under grants of authority from the State of New York, and on the Canadian side of the river under licenses authorized by the Dominion of Canada and the Province of Ontario.

So long as this treaty shall remain in force no diversion of the waters of the Niagara River above the Falls from the natural course and stream thereof shall be permitted except for the purposes and to the extent hereinafter provided.

The United States may authorize and permit the diversion within the State of New York of the waters of said river above the Falls of Niagara for power purposes, not exceeding in the aggregate a daily diversion at the rate of 20,000 cubic feet of water per second.

The United Kingdom, by the Dominion of Canada, or the Province of Ontario, may authorize and permit the diversion within the Province of Ontario of the waters of said river above the Falls of Niagara for power purposes, not exceeding in the aggregate a daily diversion at the rate of 36,000 cubic feet of water per second.

The prohibitions of this article shall not apply to the diversion of water for sanitary or domestic purposes, or for the service of canals for the purposes of navigation.

I direct the attention of the Chair to the fact that, so far as the treaty is concerned, it is wholly immaterial whether the diversion be by a private individual, by private corporations, by public corporation, or by some agency or official authorized by the Government to make the diversion. Therefore the question of lugging the treaty into this issue is wholly foreign to the point of order.

The gentleman used the expression that the treaty provided that we should issue a permit, and I wish to call his attention, as well as the Chair's, to the fact that no such provision is in the treaty. It simply provides that we may authorize it; and it makes absolutely no difference, Mr. Chairman, whether that authority be given to a public corporation, a private corporation, to an official, or to private citizens. They have the same right to grant to one of these instrumentalities as to another.

Let us not be diverted from the main thing that we are here to do. What are we here to do? We are here to authorize the diversion of water from Niagara River for the purpose of producing hydroelectric energy. Now, that is what we are legislating about; and a bill which takes the place of another bill and yet has for its object that same purpose is certainly germane to what we have before us.

I submit that this is not creating a department of government. It is not going afield, as the gentleman intimates, but it is authorizing an agency which the Government creates and names and which the bill itself provides for, for it says:

Or a municipal corporation or political subdivision thereof.

Evidently the only difference between that principle in the substitute I have offered and the bill that we have under consideration is that in the bill it is contemplated that the corporation shall be created by the State of New York. Under my amendment, which is the same as H. R. 20081, which I introduced some time ago, we are to create the corporation ourselves and not leave it to some one else.

The CHAIRMAN. Rule XVI, paragraph 7, says:

- And no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

As the Chair understands the rule, two subjects are not necessarily germane because they are related or belong to the same general class, and the question that the Chair is called on to decide is whether or not the amendment offered by the gentleman from Alabama as a substitute for the pending bill embodies a proposition different from the bill under consideration, and after due consideration the Chair is of the opinion that the amendment is not in order, and therefore the Chair sustains the point of order.

78324—16946



PATRIOTS AND WAR.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, March 3, 1917.

Mr. HUDDLESTON. Mr. Speaker, the awful horrors of the European conflict have brought home to us the great lesson that no war should be entered upon except in the necessary defense of national honor. Those who would lightly urge a declaration of war without first carefully counting the cost and weighing the necessity for the action are not as they would like to class themselves—patriots—but are betrayers of our country and are to be classed with its enemies. They do not deserve to be lauded, but to be condemned; not praised but despised. They are not fit to lead public opinion and their vaporings should be scorned by all high-minded citizens.

TRUE PATRIOTS AND FALSE PATRIOTS.

There is more than one kind of patriot. The true patriot—the best patriot of all—is he who loves his country and would make any necessary personal sacrifice for its welfare. He is usually quiet and unpretentious. It is his part to act, not to mouth noisily in public places. He is chiefly concerned with justice, and respects the rights of other nations as well as those of his own. He is calm and thoughtful. He considers the awful cost of war, cost in blood, in money, in spiritual and political considerations. He would avoid war if possible by any means consistent with honor. He does not urge others to fight, but is himself ready to shoulder arms. He seeks neither glory nor profit, but is willing to lay down his life for American ideals and institutions. He counsels patience and is slow to take offense, but once we are committed to war he serves with self-sacrifice and heroism to the bitter end. Usually he is a man of humble station, whose heart beats in kindness and has not been hardened by the oppression of others. He tries in his plain way to apply the principles of Christianity to the every-day affairs of nations and men. I am proud to believe that this description fits the great body of our people and that they hold America, with liberty and justice, as dearer than life and all earthly things.

But there is another kind of patriot, a false patriot, a creature whose regard for his own selfish interest is supreme. He is a patriot for profit, for honors, and salaries, for profits from war munitions and supplies. He is out of harmony with the ideal of equal justice and opportunity for all, but secretly longs for the return of the old conditions of master and serf, of a privileged class riding upon the shoulders of the masses. He prates of the sacredness of property but has no word for the rights of humanity. He clamors for established order, meaning thereby a condition in which he shall have some advantage over his fellows. He loves America, not because it is the land of the free but because of the opportunity which it gives for heaping up wealth and reaping dividends. This false patriot I do not love; but, alas, he is strong in our land, not strong in numbers but strong in wealth, influence, and prestige. His hoarded gains command for him the best of brains and cunning

that the world affords. His schemes are contrived in secret and executed in darkness.

Always the true patriot is at war with the false. The former is a multitude and his adversary is a few, so that standing on equal ground the result would be quick and sure. But the false patriot is no fair fighter; he has his mercenaries of parasite newspapers and all the vicious elements in political and social life. He breeds revolt in the ranks of the true patriots. He divides them into factions and sets them to tearing each other. He deludes them with false counsel. He bribes their leaders, poisons their sources of supply, and by his nefarious schemes weakens them with dissensions until their strength becomes as a chain of dust.

The false patriot is active in our land to-day. He seizes an opportunity for avarice in fat war contracts, in ships, munitions, and supplies. He demands the right to trade, and would sacrifice on the base altar of commercialism the liberties and ideals for which our ancestors laid down their lives.

THE AWFUL COST OF WAR.

The European war presents a terrifying spectacle. Humanity stands aghast at it. Like an awful conflagration, one nation after another has been drawn into the raging flames until it seems that the whole world will be engulfed. Only one great nation has remained out of the conflict. It is America, our own fair land. If we shall be drawn into the war the few remaining neutrals can scarcely be kept out, so that the whole wide world will be engaged in the awful conflict.

Europe has already poured out its rivers of blood and trembles on the verge of bankruptcy and ruin. Literally millions of men have been killed and mangled on the battle fields. Millions more crouch in muddy trenches ready to spring at each others throats, and in homes without number white-faced women mourn their loved ones and starving children reach out their little hands in vain for bread. But it is not in blood and treasure that the bulk of the awful cost of war must be paid. It is in the sacrifice of liberty and of moral and spiritual ideals. The three years of the war have cost the people of Europe the gains of centuries in religion and morality. Europe has been thrown back countless generations in ethical standards. And what of human liberty! The word is a mockery in the warring nations. Even the English have slipped back to the conditions of the dark ages. Our own country if it shall enter the conflict must share in these dire consequences.

Already America is paying a part of the cost of the war, its economic cost, its spiritual and moral cost. Even our liberties are threatened. Only a few days ago the Senate of the United States passed an espionage bill—a more drastic restriction on liberty than any measure ever before passed by Congress even in time of war. This bill and others now pending would make of our boasted freedom an empty name and of our old ideals, a vanished dream. If we shall enter the war as an active participant, we must pay our part of the awful cost in suffering and money. But more than all I dread the conflict, for the effect which it will have on our institutions. No man can foresee where the consequences will end nor what the final effect will be upon America, its institutions, its liberties, and its form of government.

A democracy can not make efficient war on a large scale. It can not be a great military power. A military nation must have a strongly centralized government, it must have its cabinets with power to form secret plans, make secret treaties, conceive in secret, fell designs for the use of its armies and navies. It must be able to strike without warning and suddenly. It must be prepared without consulting its people to spring upon its unsuspecting foe. It must have its cheap conscript armies to which no free people will submit; its militia, treasure levied without consent of tax payers. If we are to aspire to great military power then let us make up our minds to give up our liberties. If we are to compete with the great military autocracies of earth we must put ourselves on an equality with them in form of government and in the powers of their rulers.

If humanity be not gone stark mad it will learn out of this horror how to avoid war, and in the end the great good will come, that there shall be an end of war, and mankind will find a juster, saner way to settle its differences than by mutual murder.

THE MILITARISTS AND JINGOES.

The people of America should be made to know the facts. There is a faction in this country, small but powerful, which wants war for its own sake. War for war's sake is what they desire. War with Mexico, with Germany, with Japan; war with anybody, so it is war. They are the militarists, the military satrapy, the munitions makers, the selfish financiers, the war contractors, and their parasite press. They want war for its promotions, its profits, and its influence on our social and political life. They have laid their plans for vast armies and navies, on universal conscription for cheap soldiers, and to teach the people servility and obedience. No liberty-loving people has ever submitted to their conditions except under dire necessity, and they cunningly plan by forcing the Nation into war to find an opportunity to carry out their schemes.

I warn the people against the influence of the militarists. They are much more powerful than many may believe. They control the press of the great cities and a multitude of newspapers scattered over the country. Their organs reiterate daily the false arguments of their masters, carry on their propaganda, color and distort every news item of importance, and criticize without scruple or regard to truth any champion of the liberties of the people who may have the courage to protest.

The influence of the war faction can not be overestimated. It comprises all that wealth may buy, cunning can devise, and prestige accomplish. They have their echoes and tools in every corner of the land. Those who now clamor for war with Germany a few months ago demanded war against Mexico. Now, with a bumptious pretense of patriotism, they shout, "Stand by the President"; then they condemned him from every house-top as a pusillanimous coward. They seek to break down, by abuse and dishonest criticism, whatever reason can not touch. Their epithets and coarse denunciations are dinned into the ears of the honest and brave men who refuse to submit to their dictation.

These vicious forces are so powerful and well organized that they have been able to taint the sources of the people's informa-

tion and to mold public opinion to their will until many true patriots have been intimidated, and those who do not think for themselves have taken up the false halloo. Under the spur of this simulated public opinion Congress has been led into a policy of vast military expansion, to the end that the present Congress has appropriated \$535,000,000 for the Navy against \$312,000,000 last year and \$145,000,000 the preceding year. We are spending more on our Navy than prior to 1914 was spent by all the other nations of the world combined. This simulated public opinion has not only influenced Congress but has swayed the Chief Executive. Under it our soldiers were sent into Mexico and the National Guard spent months on the border, all in an aimless and fruitless campaign. "Declare war on Germany," the militarists demand, and, knowing that the President loves peace, they agitate for the arming of merchant ships, hoping that out of such course they will achieve their desire for war.

THE CONSTITUTION, CONGRESS, AND THE PRESIDENT.

Under our Constitution our Government is divided into three independent branches—the legislative branch, composed of the two Houses of Congress, to make the laws; the judicial branch, composed of the courts, to construe the laws; and the executive branch, composed of the President and his subordinates, to execute the laws. The founders of the Republic intended each of these branches of Government to be a check upon the other, and sought to preserve a balance between them, so that their functions might be exercised independently. In form of government this is fundamental Americanism. It is as improper for the President to dictate to Congress what laws should be passed as for him to dictate to the courts what judgments should be rendered. Congress has no more right to delegate its functions to the President than the courts to delegate their functions to him. It has been predicted by eminent students of government that if the Republic shall ever fall it will be on account of the Executive gaining such ascendancy over Congress as to make that body his tool.

The exclusive power to declare war is, by the Constitution, vested in Congress, which has no right to delegate that power to the President. Members of Congress have the constitutional function and responsibility laid upon them to decide when war should be declared. As for myself, I shall not shift my duty to the shoulders of the President. He has his constitutional duties to perform and I have no wish to interfere with them. I also have my constitutional duties, and them I have sworn to discharge. I will not shirk. I will not delegate them. I will for myself, upon my solemn oath, recognizing my responsibility to my country, decide whether there is sufficient cause for war. Our President is a great and wise man. His love for peace is as sincere as my own. I am sure that he has no desire to assume my responsibility just as I have no willingness that he should do so. His opinions should be given great weight as those of a wise and patriotic man, but Members of Congress who accept his judgment instead of their own are unfit to perform their representative duties. In this crisis the cry should not be "Stand by the President," but should rather be, "Stand by our country." The sole question for a conscientious citizen to consider is, "What is for the best interest of America?"

CAUSES OF WAR.

I will not at this time analyze the causes of the European war further than to say that it was caused primarily by greed; not the greed of the masses but the greed of the few, they who to their own countries are what our false patriots are to ours. The great masses in the warring nations fight blindly and heroically for their respective ideals. All no doubt are patriotic, and perhaps equally so. All are our brothers, since America has drawn some of her blood from the veins of every nation of Europe. My heart goes out to them in their sufferings, and my prayers are for all of them that their woes may soon end. It is for us to stand aloof as true neutrals, as well-wishers of all, reserving for ourselves the Christ-like office of mediation. We should not exaggerate our incidental discomforts and inconveniences, but should bear them with a patience so long as our national honor is not assailed.

It can not be denied that both parties to the War have given us cause for offense. Germany has sunk merchant ships whereby American passengers lost their lives. The British have not willfully destroyed the lives of any of our citizens, but they have rifled our mails, laid mines in seas which were the public highways of the world, blockaded neutral ports both against the egress and ingress of our commerce, seized our ships, cut us off from friendly nations, and demoralized our commerce. That no American lives have been lost because of illegal British acts is rather due to our own forbearance than to British favor, for we have submitted to dictation and at Britain's behest have withdrawn our commerce from places where it might legally go. Had we sent our ships into the areas of illegal British mines undoubtedly many lives would have been forfeited.

But while we have had sufficient legal cause for war with both combatants, I have been for peace. I have realized that they were grappled in a life and death struggle, that all the nations were anxious to be on good terms with our strong and rich Nation, and that no intentional affront had been given us. I know that both combatants have been anxious for our friendship. Such inconveniences and wrongs as they have put upon us have been merely incidental to their own struggle for existence. They have been fighting for their lives, and some of the blows intended for their adversaries have accidentally fallen on us. In my philosophy war is justifiable only in defense of national honor, which can not be involved by an accidental and unintentional wrong. I have thought that we should be forbearing toward both parties. It is not the extent of the injury that should control a decision for peace or war; it is the intent with which it is done. Germany's wrongdoing has cost American lives; British wrongdoing might have cost the same but for the exercise of our prudence and forbearance. If there has been cause for conflict with one of the warring groups, there has also been cause for war with the other. But I have felt that there was real cause for war with neither, and that we should await their cooler, saner moments for the peaceful redress of our injuries and for appropriate apologies.

From the very beginning Germany has bitterly complained that we were supplying the British with arms and ammunition which by reason of Germany's position she could not obtain. We had the undoubted legal right for our munitions makers to

sell arms and ammunition to the belligerents. This was a right belonging to the private individual, however, for our Government could have made no such sales consistent with neutrality. The vast quantities of munitions exported to Britain have given color to the German complaint, and coupled with the vast loans granted to the entente powers by our bankers have undoubtedly pushed us close to the brink of unneutrality. Recent developments indicate that the German people regard the United States as having already joined their enemies with our material resources, which constitute the sinews of war. There has been a strong demand by the German public for unrestricted submarine activity, which would stop the traffic in the implements of war. The German submarine campaign is in response to this sentiment.

THE SHIP-ARMING BILL.

As an answer to Germany's threat that she would cut off commerce between the United States and her enemies our militarists and their parasite press demanded an immediate declaration of war. They had demanded war when Belgium was invaded, when the *Lusitania* was sunk, and on other occasions. Being unable to thrust our country at once into the conflict, they brought such pressure of simulated public opinion to bear that the President requested authority to arm our merchant ships. He stated that he was of opinion that he already had such authority, but wished first to secure the sanction of Congress to its exercise. I believe that if mere authority to arm the ships had been asked for, it would have been unanimously granted by Congress, but when the bill was introduced it was found that it went a great deal further, and was believed by many to confer upon the President the sanction of Congress to go to war with Germany. The bill was quite broad in its terms, but being informed that the President did not interpret it as giving him authority to go to war I was willing to waive that point. The bill made no exception as to the classes of ships to which our Government's protection was to be given. It seemed inadvertent to extend governmental protection to ships loaded with arms and ammunition; this would have made the United States a party to the munitions traffic, and would have been in itself an act of war against Germany. I unsuccessfully sought to amend the bill in committee so as to except munitions ships from governmental protection, and when the effort failed I joined with other Members who were of my way of thinking in a minority report on the bill, as follows:

VIEWS OF THE MINORITY.

An unsuccessful effort was made in committee to amend section 1 of this bill so as to except from its provisions ships engaged in carrying cargoes consisting in whole or in part of arms and ammunitions. It would be manifestly unneutral for our Government to arm and protect ships engaged in the munitions traffic with belligerents.

It is true that there is no international law imposing a duty on neutrals to restrain their citizens from selling arms and ammunitions to belligerents. But the belligerent against which such arms and ammunition are intended to be used has a right to capture the same in transit on the high seas.

If the Government of the United States should arm and protect a ship carrying arms and ammunitions consigned to a belligerent, thus itself becoming a party to the traffic, it would commit an unneutral act—an act of war.

Those who joined in the minority report were at once assailed with epithets and vituperation by the militarist news-

papers, who sought by foul abuse to intimidate us and to forestall our efforts for calm justice and fairness. We believed that had the bill been amended so as to except munition ships from governmental protection, Germany would have viewed the American position as being one of neutrality and good faith. Germany would perhaps have relaxed her submarine campaign so as to permit the free passage of innocent ships. The adoption of the amendment seemed the proper way in which to convince Germany of our good faith and thereby to avoid war.

During the consideration of the bill in the House those of my opinion again sought to amend the bill, and 125 Members of the House so voted. When the amendment was lost it then became a question as to what course we who dissented should take. It was obvious that the bill would be passed. To me it seemed best that if it must be passed it should receive as nearly unanimous support as possible. With many misgivings and with much hesitation I voted for the bill on its final passage. I hoped that notwithstanding it clothed the President with authority to perform acts which would inevitably lead to war he would not avail himself of the authority and that peace would be preserved. In voting for the bill I consciously choose what I regarded as the lesser of evils. It seemed best in this case that I should accept the judgment of the majority though I acquiesced with the greatest reluctance.

PEACE LOVERS ARE PATRIOTS, NOT COWARDS.

I am for peace, but not for peace at any price. I would not have personal peace at the expense of my own honor, nor would I have national peace at the expense of the national honor. I look on war as I would on an exceedingly hazardous surgical operation—as something to be entered on as a last resort. My sentiments upon this subject were well expressed when the ship-arming bill was under discussion in the House in the speech of Hon. JAMES L. SLAYDEN, of Texas, when he said:

Now there are differences of opinion, as there ought to be among so many men, as to what is the wisest and most patriotic course for them to follow. Some believe that we ought to exhaust every possible avenue of hope and of opportunity to avoid war. I agree with those gentlemen, and I resent the insults of those who declare that a man who is a pacifist is a coward. Men who say those things are fools and liars.

It is not true and they know it is not true. There is nobody here that I know of or in the whole country who is what they call, with a sneer, a "peace-at-any-price" man. I have never known a Member of the American Congress in my 20 years of service who was not willing to make any personal or national sacrifice for the honor and the security of his country.

Mr. Chairman, there are 300,000 or more Americans in my district. All of them are loyal to the country; and, so far as I know, none of them wants war as long as it can be honorably avoided; and they do not want peace a moment longer than it becomes necessary to defend the honor and the rights of the country. But they have their views about how we should approach this great question, and I think men indulge in extravagance and intemperance of speech who denounce those who do not agree with them as lacking in patriotism or in courage.

Those people are not cowards; yet 49 out of 50 of the communications I have received since these days of agitation have come on have been prayers for peace, and the writers of those communications have not thought it necessary to protest their patriotism. They do not doubt it themselves and their neighbors do not. Yet, sir, when the call comes for a sacrifice, I venture to say that the district which I have the privilege of representing in this body will respond with as many men who will cheerfully undertake the hardships and hazards of war as any other in this country.

In looking around over this House I see only two other Members who served with me in the Fifty-fifth Congress, during all those exciting days just prior to the Spanish-American War. At that time a fury had seized upon the people; a frenzy had possessed them. They were clamoring for war, the people and the press alike; but that is not the case now. The people are wiser, calmer now, and they prefer to investigate. They would rather reason now than shout.

Yesterday in an interview with Miss Jane Addams the President said: "I have done, I am now doing, and I shall continue to do, all I possibly can to keep the United States at peace."

If that is an honorable and proper course for the President, why is it not also an honorable and proper course for Members of Congress and citizens generally? It is honorable, and in taking such a position the President does himself honor.

I still hope for peace. I know the awful cost of war and I would avoid it if possible. The time to talk against war is before it is declared. Once a war is entered upon our country must present a united front to the enemy. I love peace, but if war shall come, and God grant that it will not, I shall do all I can for the success of American arms. After war is declared I shall not question its propriety. I am perhaps a pacifist, but I am willing to fight if need be. I was a pacifist in 1898 when we entered upon our unnecessary war against Spain, but did not hesitate to shoulder my gun as a private soldier in the ranks. I wonder if many jingoes, militarists, and their ilk will be found fighting in the ranks as common soldiers if we shall have war with Germany.

I particularly fear a war with one of the European nations just at this time on account of the entanglements which may result from it. I fear that the United States may be committed to alliances which will plague us through generations to come. I fear that if we enter war with Germany we will sit around the table when peace is made and be a party to the peace treaty which would bind us to go to war to enforce it if necessary. Now is the time for us to heed the advice of the fathers of the Republic. I remember what George Washington said in his Farewell Address.

Against the insidious wiles of foreign influence the jealousy of a free people ought to be constantly awake; since history and experience prove that foreign influence is one of the most baneful foes of republican government; but that jealousy to be useful must be impartial; else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another cause those whom they actuate to see danger only on one side, and serve to veil, and even second, the arts of influence on the other. Real patriots who may resist the intrigues of the favorite are liable to become suspected and odious, while its tools and dupes usurp the applause and confidence of the people to surrender their interests.

The great rule of conduct for us in regard to foreign nations is in extending our commercial relations, to have with them as little political connection as possible.

Europe has a set of primary interests, which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns.

I also remember the words of Thomas Jefferson when he said:

I am for free commerce with all nations, and political connections with none; I am for not linking ourselves by new treaties with the quarrels of Europe; or entering that field of slaughter to preserve their balance or join in the confederacy of Kings to war against the principles of liberty. The first object of my heart is my own country.

If we must drink the bitter cup of war, let us drink it bravely, but if we may do so with honor, let us be not too proud to put it aside.

WHY CONSCRIPTION NOW?

CONSCRIPTION IS UNNECESSARY, UNDEMOCRATIC, AND UNAMERICAN

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

APRIL 25, 1917

The House in Committee of the Whole House on the state of the Union had under consideration a bill (H. R. 3545) to provide for raising troops by a system of selective conscription.

WASHINGTON

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SPEECH
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HON. GEORGE HUDDLESTON.

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 3545) to provide for raising troops by a system of selective conscription.

Mr. HUDDLESTON. Mr. Chairman, the traditional method of raising American troops is by the volunteer system. We fought our Indian wars with Volunteers. We fought our colonial wars with Volunteers. Washington never commanded a conscript. The men who added glory to the American arms in 1812 were Volunteers. The Americans who broke the proud spirit of the veterans of the Spanish Peninsula at New Orleans were Tennessee and Kentucky Volunteers. The Mexican War was fought by men who had voluntarily given their service. They were not humble conscripts. They were not soldier-slaves, driven to the flag.

Is there any truthful man who will dare say that conscripts added anything to the undying glory that attaches to the flag of the Southern Confederacy, to the Stars and Bars? Is there a man so unmindful of our proud American traditions as that he would claim that in 1861 to 1865 any conscript contributed anything to the deeds of imperishable valor and courage that crowned the Union Armies with victory? There were no conscripts in 1898. Never down to this good day has it been proposed to place our flag in the hands of conscripts and to rest for the preservation of American honor upon men who are driven by compulsion into the ranks.

Men who propose in this time that we should commit such an act are bound to give us some sound reasons for their position. It must be no mere matter of temporary convenience. It must be no mere whim. It must not be to satisfy anybody's selfish interest. It must not be for the purpose of perpetuating in this free land of a system of compulsory military service. It must have no ulterior motive. *It must have for its object the winning of this war.*

Men who take that position are bound at the outset to give us some good and satisfactory reasons for this radical change. Have Americans lost their courage? Is patriotism gone out of the land? Are we no longer free men, willing to fight for our institutions? Have we forgotten our glorious past? Have we come down at last to the worship of money and ease and selfishness?

I say it is not so. Any man who would take such a position is an unjust and libelous traducer of the fair name of our America. Any man who would impute to our people a lack of patriotism and devotion; who would say that we are less capable than the English to defend our institutions; who would say we are not as patriotic as our neighbors on the north, the Cana-

ans; who would say that we are not able to hold up the memories and traditions that have honored this country in the past, would utter a libel on his country and his time. Surely there is none who will so befoul the time in which he lives.

We have been offered some reasons for this measure, and I want to discuss those reasons. We have been offered reasons for public consumption. We have been offered reasons to appeal to the mob with. We have been offered reasons with which corrupt newspapers may lash the unthinking into a fury. But have we been offered any reasons that should appeal to patriots and to thoughtful, sensible men? That is the question.

A PROBLEM FOR STATESMEN.

I am amazed to see men of intelligence and patriotism standing up and saying that we ought to leave all this question to the President's military advisers; that we ought to let Regular Army officers settle this matter for the American people. If it were a mere military matter, I should agree with that proposition. If it were merely a matter of how many men it takes to conduct a campaign when the campaign is laid out, if it were a matter of the best means to arm men and how they should be drilled and sent against the foe, then I would abide the opinion of some epauletted general on the subject.

But this is not a military problem. The military feature is the smallest aspect of it. It is a social question; it is an industrial question. In the big way it is not a question for soldiers. It is a question for statesmen. God grant that the American Congress can produce statesmen, enough real statesmen, to deal with a subject like this in a time like this! Are we men sent here with a commission by the people of the United States or are we contemptible cowards? Will we shift our responsibility to the shoulders of somebody else? Will we allow a lot of little editors from the back rooms of their publishing houses to dictate to us, who represent the majesty of the American people? If we are content to do that, then we may well say that some little whippersnapper of an Army officer should tell the American people what they are to do. But if we are men, and willing to meet our responsibilities as men, let us decide upon this question just as we do upon other questions, upon its merits. If we do our duty here we must deal with this matter not as one of mere military expediency but as one that touches the whole life and the vitals of the Nation. We should deal with it for ourselves like men. Let no man plead moral bankruptcy when he goes before his people.

This is much more of a social and industrial question than anything else. The people who want it—not you, gentlemen, but the people who have inspired this campaign; you know who they are—are concerned with it in its social and industrial aspects. The same ones are clamoring for conscription now that have been clamoring for it for the past two years.

Our country is now at war. We have our part to play in the terrible tragedy heretofore confined to the stage of the Old World. The vital question of the hour is how we may win the war as speedily as possible and at the least cost in blood, treasure, and American ideals.

The contest which has been going on in our country for the past two years between the conscriptionists and those who oppose that system has completely changed its aspect. The shall

low arguments in favor of conscription in time of peace are no longer applicable. The pretexts that conscription is needed for its effect upon the public health, the discipline of youth, teaching respect for property, and docility to the people are now spent. Nothing that could be said on behalf of conscription in time of peace can now truthfully be said. On the other hand, every argument which has ever been made against conscription remains in effect and is stronger in the present crisis.

Although this is true, we find the same forces that originated the idea of conscription in time of peace solidly aligned in behalf of conscription in time of war. They have recruited their ranks from the frightened and thoughtless, but the commanders of the undemocratic array consist of the old guard of munitions makers, war contractors, captains of industry, Wall Street speculators, metropolitan financiers, reactionary and corrupt newspapers and all their crowd of underlings and liberty-hating parasites, snobs, and flatterers. This motley array, beating their tomtoms of fear, now are seeking to drive the Nation into the conscription trap. As was said publicly by the most prominent conscriptionist among them just before war was declared, "Now is our chance to get permanent compulsory military service. Let's make our big drive for it now while the people are excited over the war."

REASONS FOR CONSCRIPTION NOW.

In his recent letter to Representative HELVERING, of Kansas, President Wilson gave as the sole reason why conscription should be adopted at this time that those should be chosen as soldiers who could be most readily spared from other pursuits.

To say the least of it this is an inconclusive reason. The same rules may as well be applied in accepting volunteers as in selective conscription. The idea is that men occupied in necessary callings such as food and munitions production should be continued at their work, and that men who are engaged in producing luxuries and other unnecessary pursuits should be first taken for the Army. Clearly there is not the slightest reason why when a volunteer offers to enlist his occupation may not be ascertained, and if it should be one of the necessary occupations that he should be rejected. This was the course taken by the British in their enlistments and worked well; it is the method followed in Canada to-day. Surely we are not to abandon our traditional American voluntary system on such a flimsy pretext.

In shocking inconsistency with the President's argument, over 3,000 men daily are even now being recruited for the Army and Navy. More than 50,000 have been recruited since April 1. These recruits are taken indiscriminately from industry. No questions are asked as to their usefulness in their callings. They are being recruited in flat violation of the policy announced by the President.

The argument is inconsistent in itself since the plan is to conscript the least useful men between the ages of 19 and 25, so that all of the useless—call them slackers and cowards if you choose—between 25 and 45 go scot-free. Any sensible system of selective conscription would take the least useful of all ages fit for military service. What argument can there be for omitting loafers, slackers, and useless men between 25 and 45 and victimizing only the young. Is this to be a boys' war?

Another claim for conscription heard in some quarters, but not mentioned by the President, is that the voluntary system takes the best, bravest, and most patriotic and requires them to fight the battles of the country while the cowards, slackers, and useless are permitted to remain at home. This is a claim that is likely to be given some weight by the uninformed. In truth, however, it is not sustained by the facts and experience which show that very largely the same classes volunteer in time of war that enlist in the Regular Army in time of peace. There are, it is true, a small percentage of highly patriotic men who enlist in time of war, but usually these do not compose one-fourth of the total. The remainder who volunteer are adventurous spirits, men out of employment, the thoughtless, the ne'er-do-wells, the discontented, and other similar classes.

In a typical company of volunteers called during the Spanish War it was found that 18 were men who had left responsible positions and enlisted from a sense of patriotic duty; 22 were immature boys who had been overpersuaded by the recruiting officer, and who were in school or had no regular occupations; 23 for social reasons had previously served in the National Guard and felt obligated to volunteer; 24 were workmen out of jobs; 14 were idlers, transients, or nondescripts and could not be classified; 3 were freshly landed immigrants who had not become settled in the country. All of them were, no doubt, influenced to a large extent by curiosity, the spirit of adventure, and the persuasion of recruiters.

I would not, of course, leave the impression that in a war of the magnitude of the present volunteer regiments would be composed of identical material with those in the Spanish War. Also manifestly it must be impossible to learn with certainty a soldier's motive for enlisting. Again, perhaps, every volunteer has mixed motives. It is a fact, however, which will not be denied by anyone having a thorough first-hand knowledge of the subject that a majority of those who volunteer do not do so from high motives of pure patriotism, and that usually other factors than an unmixed sense of duty control. Those who have studied the subject will agree that men of the highest character and the keenest sense of duty may not as a rule be the first to volunteer. Such men have conflicting obligations which they weigh carefully. On the other hand the imprudent, the adventurous, the thoughtless, the shiftless, the homeless, these comprise a majority of those who are first attracted to the recruiting office. *The voluntary system in chief drains away the surplus men, not the ones who are most useful.* Men who are highly skilled in their trades or who have permanent positions and draw good wages are the ones who sacrifice most and hence are slow to enlist,

TROOPS RAISED MORE QUICKLY BY VOLUNTARY SYSTEM.

One of the false arguments put forth by the conscriptionists is that we have need for great armies immediately, and that troops may be raised more quickly by conscription. The fact is, as experts from the War Department admit, our armies may be recruited more rapidly by the voluntary system.¹ To put conscription in force the entire country must be organized, agencies established, and all men subject to service enumerated and registered. This is a much larger task than taking a mere population census and would require several months' time and

cost a great deal of money. The lowest official estimate of time within which men of desired ages may be registered is three months. When this is finished the process of selection and examination may proceed. Regiments must be constituted and organized outright. Conservative expert opinion is that if conscription is used it will be not less than five months before any substantial number of soldiers can be put in training.

On the other hand, if volunteers are called for they will be raised in companies and regiments and turned over to the Government as complete units. Sixty days will be sufficient to bring them into the field. Many men who have served in the Regular Army or in the National Guard and are already trained will enlist. The training will be well underway in 60 days.

It is a fact, however, that there is no occasion for haste in getting the men assembled. Under the national-defense act of 1916 the Government is already authorized by law to raise 641,000 volunteers and to increase the Regular Army to 287,000, total troops now authorized being 928,000. No effort is being made to fill up the National Guard organizations. The fact is that the War Department has not got supplies for the men already authorized, neither uniforms, guns, nor other equipment. Notwithstanding the appropriation for the Army of \$287,000,000 made a year ago, there are no arms and equipment on hand sufficient for even 500,000 men. It will take until July 1 next to accumulate equipment for 500,000 men, and even at that time there will be no heavy cannon for these men. Although the money for the purpose was appropriated last year and is still in hand, no heavy cannon will be available for seven months yet.

In a recent statement Mr. Secretary Baker said:

We will have enough supplies and equipment of all kinds, except, of course, heavy ordnance and things of that sort, which require a long time in the making, for 500,000 men by the 1st of July, and we will have adequate supplies of all kinds, except, of course, these long time-consuming constructions of heavy ordnance and things of that kind, for 1,000,000 men inside of eight months.

The Army has at this time only 690,000, all told, of the regulation rifle now in use. This includes all rifles in the hands of the Regular Army and National Guard. These rifles can not be obtained by contract, and the supply has increased only about 13,000 during the past year. Our new armies will have to be equipped with the English Enfield rifle, not so good a gun as the one now in use; and even these rifles are yet to be manufactured, and months will be consumed in producing a sufficient number.

I do not mention these facts to call attention to the shocking inefficiency of the bureaus charged with accumulating supplies for the Army. It has been no fault of Congress, for Congress has made the necessary appropriations. Congress has done all that it was asked to do. I refer to the situation to show those who press for the immediate enlistment of large numbers of men that we have no use for the men at this time! We have for them neither arms, equipment, nor supplies. They could do nothing, not even be trained, if they were now brought into the field. The question of speed in recruiting is therefore not important. *Even were haste required, armies could be raised more speedily by the voluntary system than by conscription.*

"AVOID BRITISH BLUNDERS."

We hear the cry from the conscriptionists that we should "avoid British blunders." By this glittering generality the impression is sought to be made that Britain's failure of complete success in the war has been due to the failure to adopt conscription at the beginning. This is a grossly false impression. The British have blundered in handling troops in the field and in other military and political measures. They blundered in failing to furnish their troops with an adequate supply of heavy guns and ammunition, but it can not be honestly said that there has been a blunder in their method of raising men by the voluntary system. Britain entered the war with only 175,000 regular soldiers. To January, 1916, in the British Isles alone over 5,000,000 men had been raised as volunteers. A conscription law was then passed, and something like 1,000,000 additional have since been brought under arms. To-day five out of every six men in the British Army are volunteers.

Canada has raised 400,000 men, and yet has not adopted nor have her people even considered adopting conscription.

What a commentary! The great United States, with its 100,000,000 population, with no immediate need for men and no ability to equip them, with no chance to send them to the battle field, proposes to start the war with conscription when little Canada, with less than one-tenth of our population—our immediate neighbor on the north and much the same kind of people that we are—has not even proposed conscription to this time.

Australia has also raised about 400,000 volunteers. In October, 1916, a proposition for conscription was submitted to the people of Australia and was voted down by a decisive majority.

What a commentary! Are we less democratic than the British Islands? Are we less democratic than Canada and Australia? Are we more willing to surrender our liberties and submit to an odious system of forced military service than they?

The British at all times have had plenty of men. The men were brought to the colors faster than they could be equipped. For 12 months after certain régiments had been raised they marched to and fro on Salisbury Plain, without ever having had guns in their hands. Soldiers without arms! Britain has always had the men, but she went into the war unprepared in the sense that she did not have the supplies, equipment, and the munitions. Her factories had not been organized so as to produce these articles for war. It is only now when Britain's industrial activities are coordinated for the production of war supplies that she is able to put forth her full strength. A conscript in camp is worth nothing without equipment. You can not train him. He is useless, a mere idler.

The British blunder was not in failing to take adequate measures to raise the human material for war, but in failing to foresee the immense consumption of munitions and supplies on the battle field. We have already committed the British blunder in that our officers charged with the duty of spending the money that Congress appropriated have not accumulated sufficient arms and supplies for armies that we wish to raise, and these essentials will not be available for several months yet.

As a matter of fact, conscription was never necessary in Britain. As finally adopted it does not apply to Ireland. It was adopted as a political measure rather than a military necessity. Britain has her conscriptionists, her privileged and selfish classes who have been clamoring for conscription for years. It is from them that our conscriptionists have borrowed their methods. The British conscriptionists comprise a powerful political faction; through their newspapers they hammered the Government constantly. They criticized and bullied and finally the British Government gave in. Conscription in Britain was adopted to disarm the political opposition of the conscriptionists, not because it was necessary to carry on the war.

REASONS OF THE MILITARY SATRAPY.

The powers which are seeking to fix a system of conscription upon us have one set of reasons that they give to the public, another set which they privately entertain. One reason which influences military circles is the desire to increase the numbers of the Army so as to multiply opportunities for promotion and to give an excuse for larger pay and higher rank and honors. Their objection to the National Guard and to any system of volunteering is based on their opposition to men from civil life coming into the Army as officers. The average Regular Army officer cherishes an intense caste spirit. He hates Volunteer officers, for they are his rivals. They receive rank and position which he regards as his exclusive prerogative. According to the standard of the Regular Army officer, the Volunteer officer is too democratic, too much at home with his men—treats the enlisted men with entirely too much consideration and good fellowship. He is a source of irritation in a system of rigid caste and tends to disrupt the iron discipline which would create an impassable social gulf between officer and men.

The average Army officer lives in a rigid groove of caste prejudice and professional practices. The Volunteer officer tends to disrupt this system. He brings in new ideas. He has a free and easy way of overturning precedent and ripping red tape, cardinal sins in Army circles.

The iron determination of the Regular Army officers in favor of conscription at this time as opposed to the National Guard and all other voluntary systems is based on the desire to keep the National Guard officers out of the Army, especially officers of high rank. Necessarily many thousands of new officers must be admitted, but these in the main will be unformed boys of the upper classes, who may be easily shaped into the Army caste, and all new officers will be given only the most subordinate places. The vast increase in our troops furnishes a golden opportunity for officers of the Regular Army, opportunity for rapid promotion and wide influence. With 1,000,000 or 2,000,000 men in the field every Regular Army officer of the age of 30 or thereabouts will become in due course, and without effort or merit on his part, of rank as high as colonel. Already they propose to abolish the rank of brigadier general, so that from colonel hundreds will jump to the rank of major general, with its pay of \$9,300 per year. Others still will be lieutenant generals, and perhaps will go forward until we vie with the military systems of Europe with field marshals of incredibly large pay, honors, and authority.

These are the prizes for which the Regular Army men are fighting. Personal prizes, not prizes of patriotism. Small wonder, then, that the Government's military advisers are unanimous for conscription.

Perhaps there may be hope for a slightly increased efficiency under the organization which the Regular Army proposes. There will be few politicians given opportunities to make names as Army officers, and for this let us be thankful. Men are to be enlisted in regiments without regard to the localities from which they come. They are to be fed into regiments, wherever required. It will be less trouble to pick up a conscript and send him into a remote regiment to fill a vacancy than to regiment men from various States and localities together. This, so the Regular Army says, is in the interest of efficiency. There will be no Alabama troops, no Ohio troops, merely troops of the United States—conscripts all.

I believe that men will make better soldiers fighting alongside their friends. Boys will be desperately homesick, driven into strange regiments without friends, acquaintances, or anyone from home, and I do not believe the system proposed by the Regular Army will in this respect make for the highest efficiency. I do not believe that the fighting qualities of an army so organized will equal that of American troops organized under the old system, where friend stood along with friend and brother by brother's side.

MOTIVES OF CONSCRIPTIONISTS.

The civilian conscriptionist has even less creditable motives than his associate in military life. For the past two years an energetic and expensive propaganda has been carried on in this country in favor of compulsory military service. This propaganda has been through books and publications issued in its behalf and the parasite newspaper organs of the selfish interests which were advocating it, by paid lecturers sent over the country, by motion pictures, and in other ways. This propaganda had its origin and has been financially supported by small groups located in financial and industrial centers and whose identity is well known.

When it appeared that war with Germany would be declared these selfish groups redoubled their activities. *As stated by one of their leaders, the war seemed to be the best chance they would ever have of putting their scheme through, so they sought to strike while the iron was hot.* A special effort was made, their vicious newspapers redoubled their efforts, prominent lecturers were sent into various centers upon various pretexts to rouse the people, to frighten them, and to prepare the way for what was to follow.

On the day before war was declared there came to me through the mail a number of pamphlets, letters, and so forth, urging a declaration of war upon Germany. This propaganda came from certain conscriptionist sources and had a common purpose. I read it with interest. One leaflet was from the Yale Club, of New York, and recited pompously that "We men of Yale" demand war with Germany, and followed that by a demand for the immediate inauguration of a system of compulsory military service. Another leaflet was from the Tavern Club, of Boston; another from the Harvard Club; another from the American

Rights-League, signed by Joseph H. Choate, George De Haven Putman, Elihu Root, and others. Another pamphlet was from the Union League Club, of New York, and there were others from similar exclusive organizations. This propaganda came from the most reactionary sources in the United States, the most undemocratic sources, the least enlightened sources, from those who had constantly championed conscription in time of peace as a means to discipline youth, teach respect for law, order, and property, make society more stable, and to create a reservoir of reserves to be drawn upon in case of war. Not one of the arguments which had previously been used by these conscriptionists is now assigned by anyone connected with the Government in behalf of the proposed conscription legislation.

All of these pieces of propaganda were in substance the same. They first demanded war with Germany and, second, demanded conscription. In no instance were the reasons which are now given assigned for the latter demand.

I have before me the publication from the Union League Club, of New York. It contains the report of a special committee which, among others, included Robert Bacon, George F. Baker, Cornelius N. Bliss, jr., Joseph H. Choate, Henry P. Davison, Chauncey M. Depew, Samuel W. Fairchild, Clarence H. Mackay, Frank A. Munsey, Ogden Mills Reid, Elihu Root, Herbert L. Satterlee, Theodore N. Vail, and Cornelius Vanderbilt.

Anyone acquainted with American finance and big business will at once recognize these names. They are identified with all that is monopolistic, oppressive, and unjust in American business life. They and their associates are the men who practically run this country. They have monopolized our natural resources; they are exploiting the people, not only of America, but of a large part of the world; they control public opinion through their parasite newspapers. Indeed, they bestride the new world like colossi, and common men exist largely through their sufferance. These are they who are the champions of conscription. They are the natural enemies of democracy. There can be no democracy when these men rule. There will be none where their schemes are put through.

The interests behind conscription are largely big business and big finance. Its champions are dreamers, but they dream vicious dreams of world conquest and exploitation. Their dreams are of the American flag sent into the remote corners of the world to protect their operations and to guard the extension of the systems whereby they have brought America under their feet.

The champions of conscription, they who originated and have financed the scheme, need big armies and navies to protect their investments in foreign lands, to secure for them the safe return of dividends from concessions of mines, railroads, and so forth, and the exploitation of weak and undeveloped peoples. They cherish political schemes, for theirs is the "New Imperialism" which would place America alongside the plutocratic European nations in their conquest of the world. Under their baneful influence Dewey was sent into Manila Bay so that we might seize the Philippines as a base for expansion in China and the Orient. For them we raped Colombia of Panama, so that we might extend our operations throughout South America. For

them we have sent our soldiers into Haiti, Santo Domingo, and Costa Rica and stand like a bloated bully with a drawn club over the petty States of Central America. What may be their further dreams I do not know, but I fear that they are fraught with the most evil consequences to American ideals.

The interests engaged in promoting conscription want big armies for home use. They say, "We have too much discontent, too many Socialists, too many I. W. W.'s, too many strikes, too much industrial disorder, too much freedom of speech, too many ranting demagogues and labor agitators." They would suppress all this with the iron hand of the military. They would take the youth of the land while it is yet impressionable, force it into their armies, rob it of its principles of democracy, teach it docility and respect for them and their property, so that the New World might be made over to resemble the Old, with its castes of prestige and privilege.

The financial and big business interests that are championing conscription as a permanent system see in this national crisis their golden opportunity. They have seized on the war crisis as the time to put through their scheme. It is not for the war that they wish conscription but for its effect when peace has come. With them it is now or never. They expect to commit the Nation to conscription at this time so that forced military service will be fixed on us as a permanent thing and we will never be able to shake it off again. This is the stake that they are playing for.

These forces seem to have wanted the war for the opportunity that it gives to fix their system on us. They did not want conscription for the war, but wanted the war hoping that they might get conscription out of it. They have roused themselves to their supremest activity. Every influence of which they can avail themselves is being brought to bear. They have sent out the word and their minions are lashed into a fury. Their newspapers belch out their noxious gases in the nostrils of the people, and all who may be deceived, frightened, or intimidated, all of the thoughtless, timid, or corrupt elements in the land are marshaled under their flag.

I fight these influences in defense of our national dignity and honor. I fight them as I would the foe across the sea to preserve American ideals and institutions. I will not surrender to them. I would rather die than to lose so cheaply the liberties for which our ancestors shed their blood.

CONSCRIPTION IS UNNECESSARY.

Conscription is unnecessary in two senses. In the first place, we can get all the troops we need by the voluntary system. It seems unlikely that 1,000,000 volunteers will enlist to go across the seas to shed their blood in foreign lands. If it is our purpose to send vast armies to take part in European battles, then forced service may be necessary. But if we intend to send only 500,000 men to France, enough hot-blooded Americans can be found to enlist for that adventure. Recruited to full strength, our Regular Army will comprise 287,000 and will alone furnish men for a European campaign.

Our people when they volunteer want to know what they are fighting for. If they are fighting for our national defense and

honor, millions of volunteers will come forward. If the campaign is to settle quarrels between European dynasties, perhaps only the hardy and adventurous, those who will fight for the sheer love of it, will enlist.

Why not enlist two forces with a definite understanding as to what they are to do? Enlist one force for foreign service. If 500,000 will suffice, enough volunteers may be had. Enlist another force for the defense of our country with the understanding that they are not to be sent into foreign lands. No matter how many men may be desired for this force, they will readily come forward. Our people are not lacking in real patriotism. They will volunteer just as well as the British have done. Millions of Americans will rush to the flag if they are to be used only to defend our own shores.

To insist on conscription at the beginning of this war is an imputation against the courage and patriotism of our people. It is equal to a charge that they are selfish and unworthy. It is a confession upon the part of the conscriptionists that the war is not a popular war, that the heart of the people is not in the war. There may be some basis for the thought that America does not give herself whole-heartedly to this war. However that may be, our people are patriotic and there will be no lack of men to defend our country. Men will enlist whether they approve the war or the means by which it came on or not.

Conscription is unnecessary in another sense. Our Regular Army recruited to full strength is 287,000. The National Guard when recruited to war strength is 641,000, making a total of 928,000 already authorized under existing laws. No call for volunteers has been made. The President has issued no proclamation asking the people to enlist, yet they are enlisting at the rate of over 3,000 each day. This enlistment is going on although there is no equipment for the men and the States have been refused permission to muster in new regiments of National Guard or to bring the National Guard up to full war strength.

Let the President issue his proclamation asking for volunteers and authorizing the States to bring up the National Guard to full war strength. Within 60 days the entire quota of 928,000 men will be raised. We have not got guns and equipment for even these men. Surely our armies will be large enough for the present when such a vast number is brought to the colors. When these armies have been raised and equipped it will then be time to consider whether we should go further in our war preparations.

CONSCRIPTION IS UNAMERICAN.

The Revolutionary War was fought by volunteers as were our colonial wars. From the beginning of American history volunteers have been relied on in this country. Volunteer service is shrined in American tradition. It is the traditional American method of raising armies.

During the Civil War it was thought expedient in 1863 to pass a sort of conscription act to stimulate enlisting men in the Union armies. Out of 2,700,000 Union soldiers in the Civil War only about 60,000 were conscripts. The enforcement of the draft act caused riots, generally disorganized the country, and was of no real military value.

The Southern Confederacy raised a few soldiers by conscription. Most of the conscripts laid down or ran away the first battle. Many of them were Unionists and deserted to the Union Army. The attempt to conscript soldiers into the Confederate Army drove thousands of southerners who were loyal to the Union into the Federal Army. Over 30,000 Federal soldiers enlisted from Tennessee alone. Five entire Union regiments were enlisted among Confederate prisoners at Rock Island. Desertions largely operated to break the back of the Confederacy. Many of the deserters were conscripts.

The average American likes to regard himself as a free moral agent. As a volunteer he fights heroically, cherishing the ideal that he is serving his country without compulsion. It will break the morale of our men to force them into service. Conscription is violative of American traditions. Our people may be led; they can not be driven. They are not of exactly the same stuff as the docile European conscript. It will serve to impair their fighting qualities when they look upon themselves as dumb animals driven to the trenches rather than as free Americans fighting voluntarily for their country.

It was well said in time of the Civil War that it took two good soldiers to keep one conscript in line. Under a system of conscription many will be forced to the ranks who have conscientious objections and who are dissatisfied for other reasons. A general spirit of discontent will be engendered; regiments will be honeycombed with unrest and dissatisfaction. The martial spirit of our people will be dulled. There will be many aliens in our ranks fighting against those of their own blood. I would rather have one-half the number in enthusiastic whole-hearted soldiers than to infect the whole with the discontent and unrest of the unwilling minority.

If we are to expect our armies to acquit themselves in accordance with our glorious military traditions, they must fight on the same plane with the Americans of previous wars. They must have the same respect for themselves, the same ideals of freemen. They must cherish the same glorious memories. You can not get that kind of fighting out of servile conscripts.

I am able to understand the pride which a soldier may take in the name of "volunteer." I remember well the bright Sunday morning of the 1st of May, 1898, when I shouldered my rifle as a private soldier at the outbreak of the Spanish War. I remember the pride that I took in myself and in my comrades as volunteer soldiers. I was sustained throughout the trials of service by the thought that I was serving of my own accord. Always I have looked back upon my service as a soldier with a feeling of pride and added self-respect because I was a volunteer. *I am unwilling to rob the men who must fight this war of the proud name of volunteer. I am unwilling to brand them as conscripts, as those who must be forced to serve their country.*

CONSCRIPTION BREEDS FAVORITISM AND CORRUPTION.

All claims in behalf of the justice of conscription are based on the assumption that it will be fairly enforced, that the burden will rest upon all classes equally, and that it will be enforced impartially against all. Upon no other theory is the idea of conscription tolerable for an instant, but experience has shown

that it opens wide the door for the gravest administrative abuses.

To bring men into the ranks under a system of conscription requires their registration, their division into classes, and so forth. Medical examinations are required, and there are many loopholes through which favored ones may escape on the way. The administration of the law will necessarily be left to a governmental bureau and its details in charge of officials, many of whom will be hastily selected petty officers. It is inevitable that there will be many instances of favoritism, perhaps even of corruption. Men will be omitted from registration, because there is no way to check the matter up. Men will be excused for falsely certified small defects, defective eyesight, hearing, or teeth, or flat feet, or rheumatism, or some minor disease. This is inevitable. It will impair the confidence of the people in the system and cause intense dissatisfaction.

It is already being planned that all the commissioned officers are to be taken from the better educated and upper social classes. Few indeed are the working men or their sons who will be allowed to wear swords. The masses will do the digging and the sweating. They will be shown the least favoritism and allowed the fewest exemptions.

The system whereby officers for the new armies will be chosen has already been exposed. They are to be taken from the idle rich men who have attended the Plattsburg camps, from college boys, and others of the upper classes. The lowest commissioned officers are to be appointed only after rigid educational tests. It will take at least a high-school graduate to stand the examinations. It is not proposed to appoint practical, every-day sort of men, used to dealing with men and affairs as officers. Rather it is intended to make commissions the prize of a sort of Chinese pedantry which will exclude all but the best educated. The truth is that there is more concern to select men who are "socially right" than those who are capable of dealing with the practical concerns of army life.

An enlisted man of the Regular Army or National Guard will have no chance for a commission based upon his record of honorable service and his capacity for performance of military duty. He must stand the test of examination in the sciences and mathematics to be admitted. Gen. Forrest, perhaps the most capable Cavalry commander that the world ever saw, would be unable to get a commission as second lieutenant in the American Army.

I am receiving hundreds of letters from men of the upper class seeking commissions in the Army; not one of these has expressed a willingness to enlist as a private. No workman has asked for a commission. They know that there is no chance for them no matter how capable, generally speaking, they may be.

It is one thing to pass conscription laws; another to enforce them. Always it is easier to enforce the laws against the poor and humble. If any may escape their meshes, it is the classes having wealth and influence. Let no hard-handed workman expect to find the son of the capitalist serving alongside his son on terms of equality. A way will be found to avoid that. As a last resort there are unmerited promotions and soft places to be found, perfunctory duties to be performed, easy clerkships,

and such like. The toil and the drudgery, the digging and the sweating, will be reserved for the sons of the masses.

CONSCRIPTION IS DISCRIMINATORY.

Conscription is based on discrimination. It starts out with its exemptions and its methods of selection. It is not intended to rest equally upon all citizens. It culls out a few for military duty. These victims are subjected to rigid discipline and all the hardships of the campaign with the risk of their lives. The balance go free and continue to enjoy all their pleasures and privileges. Conscripts are not even chosen by lot out of the entire mass. Those above prescribed ages and following exempted callings are never under the hazard that they may be taken. Yet all these might render useful service for the State, even many of them do so now as officials and will continue to draw the salaries and enjoy all the privileges of peace.

Conscription can not be fair and democratic, unless all are taken, from the oldest down to even the youngest who is useful. If one citizen should be forced to serve the State all should be equally subject. The fact that a man can not render active service as a soldier is nothing. The civilian side of war's activity is much wider than the military side. The production of the necessities of life for the people as well as supplies and equipment for the Army calls for vast numbers in civilian employments. If citizens may be taken for service in the trenches, why may they not also be taken for service in the fields and workshops? Why should unproductive bankers, agents, and professional men go scot-free merely because they are over a certain age or physically unsuited for trench duty? Why should not these parasite classes and social burdens be seized upon and put to doing something that is useful, something beneficial to the whole? Why should we not send them into the fields to harden their muscles and to improve their physical condition with fresh air and outdoor work?

Just conscription levies not on a few but upon all. It does not discriminate between the worker in a munition factory and a clerk behind the counter. It does not say to Jack, "You shall go to war because you are of this age," and to John, "You are free because you are a year older." It does not say to William, a clerk, "You are to go into the trenches; you are to sweat or shiver or starve and to lose your life or to come home maimed all for \$15 per month," and to Henry, the munitions worker, "You are to continue on at your employment enjoying all the pleasures and privileges of peace at \$5 per day."

Conscription is State slavery. It is involuntary servitude, not for crime. It is so harsh and violative of every principle of liberty that it should not be used except in time of actual necessity. It is a measure for an extremity not for ordinary times. To make it necessary the peril of the Nation should be so great as to require a supreme sacrifice from every citizen. If conscription is justified at all, then it is only when universal conscription is necessary. There should be no exemptions nor exceptions. Not that all may be needed as soldiers but that all may be needed for service for the Nation, for service for the public welfare. All should be put upon an equality without discrimination between married or single, rich or poor, educated or ignorant. Family and business ties should be ignored

and every citizen regarded as merely a member of the community to serve the whole and to be cared for by the whole.

Property is not so sacred in its nature as life and liberty. The right of the individual to control his own actions is more important than his right to own property. Conscription is confiscation of men. It restrains their liberties, forces their actions, and drives them into danger, perhaps at the cost of their lives. *If conscription of men be permissible conscription of property is also justified. If men's liberties and lives may be taken for the public welfare, then property may also be confiscated. Surely it will not be argued that property stands upon higher ground than man.*

A system of conscription of men which leaves property free is inherently unjust. It is undemocratic. That a man who has nothing but his life to lose shall be forced to hazard it in service for the State and that a capitalist shall preserve his property intact is shocking to an enlightened conscience.

If it be said that the conscript man is used temporarily—borrowed, as it were, for the emergency—and that the hazard of his life is a mere incident, I answer by asking why, then, should property not be borrowed, used temporarily, and returned at the end of the war? How can it be just when human material for war is taken without compensation that war supplies and finances for war may not also be taken? What justice is there when men are being conscripted that property owners should be receiving incomes from their possessions?

CONSCRIPTION IS UNDEMOCRATIC.

Why is conscription undemocratic?

First. Even when laid equally upon all ages and classes it imposes the burden of public defense equally per capita upon the population, whereas the burdens of government should be borne in proportion to the benefits received. Since property enjoys the chief benefit of government and its protection occasions the chief governmental expense it should bear the chief part of the burden of public defense! Men should be required to respond to public duty in the same measure that they receive a benefit from the public. Conscription rests the burden of public defense upon the individual without regard to property interests or benefits derived from the Government.

Second. Conscription for military duty can not be equally borne by the whole people, for many are physically unfit, others are cowards and can not fight, many are too old, many are too young, many are women; all these escape, yet all share in the benefits of government.

Third. The burden of conscription is not laid equally on all, even of those taken for service. Some 3 per cent are commissioned officers enjoying position, honors, pay, and opportunities immeasurably above the remainder; 15 to 20 per cent are petty officers enjoying superior emoluments and comforts to a marked degree. The remainder are private soldiers who do all the work and most of the suffering and get nothing in return except the scantiest necessities of life.

Fourth. Conscription is undemocratic because it develops bureaucracy, takes the control of affairs from the representatives of the people, places it in the hands of officials who are out of contact with them. Hence the administration of the

system of conscription is subject to the discretion of irresponsible officials and the peculiar subject of the grossest abuses, oppression, corruption, and favoritism.

Fifth. It is undemocratic because it forces men into an autocratic system in which respect is given to authority, not to merit, in which the rewards go to place and not to capacity, in which servile obedience is the highest virtue and independence and individuality the most serious vice. Out of this system men may come humble, docile, and unimaginative but never virile, aggressive, and reasoning citizens. Its tendency is toward autocratic and not toward popular government.

THE CRUELEST INJUSTICE.

Selective conscription, so called, is the worst form of all. It consciously and intentionally lays its burden upon a select few. It is its purpose not to reach all alike, but to victimize certain classes and callings. Its administration is left to a bureau which is out of touch with the people; that it will be the means of the grossest oppression and tyranny can not for a moment be questioned.

The cruelest feature of selective conscription, its most vicious feature, is the plan to victimize the boys of the land. It proposes to seize on those under 21. It is not content to discriminate among those of mature age, but aims its vile purpose at helpless and inoffensive boys.

What a cruel injustice to deprive a boy of his chance, to rob him of the opportunity of his youth, to finish his education, to learn a trade, to get a fair and early start in life!

The conscription of men under 21 is grossly unjust. It is undemocratic and oppressive, because it levies upon nonvoters, those who have had no voice in bringing on the war, who were not consulted, who are helpless, who are not represented in Congress or official place, boys who have no votes with which to avenge themselves upon those who would force this system upon them, who are driven like dumb helpless sheep to slaughter. The shame of it to limit the age of those who are to be conscripted at below 25! Not a Member of Congress but is above that age, not a Government official but is above that age, not an agitator for conscription from one end of the land to the other but is above that age. We would vote that on others which neither we nor any of our age or class will have to endure. This in the name of democracy!

Conscription of boys is wrong. It is foolish to take boys out of the home circle before their characters are formed, innocent boys, and unaccustomed to temptation, unschooled in the ways of the world; to take uninformed boys and thrust them into the vicious moral atmosphere of the camp, where they will be subject to every vile temptation and moral pitfall that ever lay in wait for humanity.

Conscription of boys is economically unjust and foolish. The life of a soldier is one sometimes of hardship and privation, spasmodically laborious, but chiefly that of an idler. "Soldiering" is a word that has a well-defined meaning. Boys should have a chance to finish their education, to learn a trade, and get some little start in life, to make some plans for the future. But with a year or two taken out of their lives at the beginning of manhood, taken out of their lives and devoted to army life,

they will come back stripped of ambition, schooled as idlers, with no inclination to learn a trade or to prepare themselves for life.

If we are to have conscription let us spare the boys, spare them for the sake of their health, for they are physically soft and unformed, are heedless and imprudent. They do not know how to care for themselves physically nor what to eat nor drink, and they will come back from the campaign broken and bent and diseased wrecks. They will come back rheumatic and malarious. In 1915 when our country was at peace, all our soldiers living comfortably in barracks, receiving the best of food, medical attention and care, and under the most favorable conditions for health we had an average of 93,262 enlisted men in the Army. During that year alone 69,442 were admitted to the hospital for disease or injury; there were 10,045 cases of venereal disease and 358 cases of insanity, 1,351 were discharged for physical disability, and 436 died. These were carefully chosen men of ages between 18 and 35. They were subjected to the most rigid medical examination before being admitted to service. They were not reenlisted if physically defective. Practically every case of disease originated in service. This is especially true of venereal diseases, from which one man in every nine suffered. No doubt many men were diseased when discharged, no record having been made of it, and will carry through their lives the marks of service.

Yet in the face of this terrible record conscriptionists persist that Army service will promote the health and physical well-being of young men.

MY VOTE.

I will not vote for conscription unless it shall appear necessary. I will not consider conscription necessary so long as sufficient armies to defend this country can be raised by the voluntary system. I will not vote to conscript men to send them across the sea to fight the battles of European monarchs. I will not force our boys into the raging hell of Europe in order to decide whether Italy shall have Trentino, whether Bosnia shall belong to Servia or to Austria, whether Russia may sit at the Dardanelles, and whether Poland as a kingdom shall be under the control of Germany or Russia.

I clearly foresee the fury that my political enemies will raise against me at home. Already in my ears there rises the roar of the torrent of abuse and misrepresentation. I am duly mindful that I am refusing to obey the dominant voices of my city, the newspaper voices, the voices of wealth, prestige, and influence. But I am undismayed by the prospect. I hear rather the still small voice of conscience than the thunder of opposition. I hear rather the pleading mothers and the plaintive voices of common men, of those who toil while others sleep.

I have been a private soldier, and if it should be necessary will enlist again. I am willing to fight with arms in my hands in defense of our institutions. Surely, I should be willing to speak and vote to defend them. I would be willing to shed my blood defending my country against a foreign invader. I am no less willing to defend American liberties with my life if need be when they are assailed by internal foes.

AGAINST DISCRIMINATION

In measures for the relief of disabled soldiers and the widows and orphans of the slain there should be no discrimination between officers and men.

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 1917



WASHINGTON

1917

12731—17903



SPEECH

OF

HON. GEORGE HUDDLESTON.

The House in Committee of the Whole House on the state of the Union had under consideration H. R. 5723, the war-risk insurance bill.

Mr. HUDDLESTON. Mr. Chairman, I agree with the contentions made by various members of the committee which reported this bill and most forcefully presented this morning by the chairman of that committee, that Article III of this bill is not a pension measure. It is, as he argues, a compensation measure, and for that very reason, for that fundamental reason, which applies throughout the entire bill, it seems to me that the author of the bill has fallen into a serious error.

Pension laws as they now stand on the statutes are not discriminatory. These laws recognize no difference in the rank of the beneficiary in case of disability. If a major general has heretofore lost a leg in action, and applies for a pension he gets exactly the same amount that the humblest private in the ranks would receive for the same disability. It does not make any difference what the injury is or what the rank of the soldier is, when he comes to apply under the law as it now exists he stands upon exactly the same footing as every other soldier who has suffered the same injury.

To my mind, that is one of the very best features of the pension laws. It is particularly sound, as it applies to the soldiers of the Civil War. The soldiers who fought in the Union Armies were not professional soldiers. They were volunteers. Those armies were citizen armies. The ranks which they held in the field had no relation to their ranks or their qualifications in civil life, and that principle is recognized in the pension laws.

But here in this bill we have a different principle recognized. Men who are injured are compensated according to the pay which at the time of the injury they are drawing from the Government as soldiers. Some of them get several hundred dollars per month; others get only a trifling sum. It has remained for the authors of this bill to present the principle to the American Congress that an American soldier serving his country in an emergency such as now exists should be compensated exactly upon the same plane as a workman; that he should be paid for his injuries just exactly as he would be if he were a laborer in a sawmill or a brakeman on a railroad. He is paid in proportion to what he is drawing down in pay when he is injured. It has remained for this measure to put the honorable service of soldiers in defense of our flag upon the mean and sordid basis of commercial gain and the earning capacity of men in civil life.

That is the principle that runs throughout this bill. It is a thread, a discolored and inharmonious thread, that goes through the provision for allotments for the benefit of soldiers' families, where the families of privates who get \$30 receive an allotment on a certain basis; but if the soldier happens to be a sergeant or

enjoys some other petty distinction, his family is compensated upon an entirely different basis.

Mr. ADAMSON. This thing takes the place of pensions, and you pension officers more highly than you pension privates.

Mr. HUDDLESTON. Mr. Chairman, I had not intended to say this, but the statement made by the distinguished chairman of the Committee on Interstate and Foreign Commerce forces me to say that it is extremely unfortunate that a measure of this importance should be presented through a committee and by authors who had not the slightest knowledge of the pension laws. [Laughter.]

Mr. ADAMSON. If the gentleman will yield, I will say that this debate has not disclosed any such fact.

Mr. HUDDLESTON. I have just told the gentleman that, no matter what the rank of the soldier is, no matter what his pay as a soldier is, whether that of a major general or a private soldier, he is given exactly the same pension for the same disability under the existing pension law. Does the gentleman get that?

Mr. ADAMSON. I got that. [Laughter.]

Mr. HUDDLESTON. I hope the gentleman will hold it.

Mr. ADAMSON. I already knew it. [Laughter.]

Mr. HUDDLESTON. The gentleman's argument has not disclosed that he knew it. I regret that a pension measure of this importance should have been offered, drawn, as I am informed, by a distinguished Chicago jurist, who knows a great deal about domestic relations laws and such things, but nothing whatever about pension legislation, in conjunction with a New York life insurance actuary. I am told that that was the authorship of the bill. I do not know. I have not yet found out who was the author, although I did ask yesterday most earnestly for this information.

These gentlemen, perhaps, were advised with by certain eminent doctrinaires and sociologists. Now, I love sociologists. They are good fellows. But usually they are not soldiers. They have not usually had experience in fighting for their country, and they have not usually been to Congress. But I would not like to take their handiwork without amendment. I regret that the Committee on Interstate and Foreign Commerce has accepted and gulped down as a whole this bill, though coated over on the outside, and reported it without having digested it and without understanding just what it means.

I would not have had this bill referred to the Committee on Pensions, of which I happen to be a member. It is made up of the fag ends of Congress. [Laughter.] Only Members are put on that committee who can be satisfied with that sort of thing—fellows who are not on the inside, and who have not influence enough to get a real, sure-enough committee appointment. [Laughter.] Perhaps it was wise to draft this bill, as it appears it was drafted, with the deliberate purpose and intent to keep it away from the Pensions Committee, and that they did well in that. But the regret that I feel is that somebody did not draw the bill or that somebody did not consider the bill who knew something about the pension laws and had some little understanding of the purposes of pension legislation. [Applause.]

Now, as I was calling to the attention of the committee, the inharmonious thread runs throughout this bill from beginning to end of compensation on the basis of the amount of a soldier's

pay, of discrimination between soldiers based on the amount of pay that they draw down from the Government.

It is in the allotment provision. It is in the compensation provision. It is in the insurance provision. It goes from one end of the bill to the other, and no amendment will effectually reach it. It is impossible to reach it by amendment. As I said, under this bill men are put upon the same plane in fighting for their country as though they were working in a sawmill or as brakemen on a railroad. They are simply paid in proportion to what they are drawing from the Government at the time of the injury.

The reputed authors of this bill are sociologists. They are accustomed to drawing workmen's compensation laws for injuries received in civilian pursuits. They have not comprehended for a moment the light that lies in the path of the man who fights for his country. They have not realized for a moment that every American soldier now in the ranks, with the exception of a few professionals who were in the service before this war came on, is a citizen soldier; that it is an army of men who are equals. Oh, I have heard a lot of talk recently about democracy. I would like to see our Army made safe for democracy. How can you say that you have a democratic Army; how can you say that conscription is democratic, that it is just, when you force some men into the ranks at the low pay of \$30 a month when others have rushed off to training camps, having had college educations and social positions good enough to stand the tests, and now are to be further favored as proposed by this bill? How can you afford to discriminate between these equally deserving men, whether officers or men, when they are soldiers in the field; to discriminate between their families at home, to discriminate between them when they come home maimed and bleeding from service in their country's cause, and when they fall upon the battle field to discriminate between their widows and orphans?

I think the insurance idea is an excellent one. I think it is one that this Government can well afford to adopt, but it ought to provide a uniform amount of insurance for every soldier, irrespective of his rank. It ought not to be given according to a man's ability to pay for it. [Applause.]

Mr. SIMS. There is no rank insurance. Every private can take \$10,000.

Mr. HUDDLESTON. I will explain to the gentleman how he can not. He is required to pay \$8 per thousand. The officer who is drawing a minimum of \$180 a month can take his \$10,000; but the private who is only getting \$30, and has got to send part of that home because you do not give him enough to keep up his mother and his father, can not take more than \$1,000.

Mr. SIMS. If he takes \$10,000 it will cost him less than \$8 a month.

Mr. HUDDLESTON. The Government says, "We will bear the extra hazard, which is \$50 per thousand." Then you propose that the Government shall carry a hazard of \$50 for each man who takes out a thousand-dollar policy, so that when he takes out a \$10,000 policy the Government carries a hazard of \$500 for him. Do you not see that you are discriminating in favor of the man who has got plenty of money, in favor of the rich? Do you not see that you gentlemen are discriminating in

favor of the man who has the means to take out a big lump of life insurance and against the poor devil who has only got enough to pay \$8 for \$1,000 insurance? [Applause.] Does the gentleman from Tennessee want to ask me something? Let him come on with it if he does.

Mr. SIMS. I said this, that the private has to pay only \$80 a year for \$10,000, which is less than \$7 per month, and he gets \$30 a month in this country and \$33 when he is abroad; and if he has no dependents he can easily pay \$7 out of \$33.

Mr. HUDDLESTON. Does the gentleman think it is as easy to pay that \$7 out of \$30 as it would be to pay it out of \$300 or \$400?

Mr. SIMS. Certainly not.

Mr. HUDDLESTON. It is perfectly absurd. The gentleman knows that the fellow who is rich or who is drawing big pay as an officer will take a lot of insurance. It is absurd to assume that the man who gets only a few dollars per month is going to take as much insurance as the man who gets a big bunch of money per month.

Mr. SIMS. My friend, I do not think the rich men who do not need it will take it at all.

Mr. HUDDLESTON. They are fools if they don't, because they are getting something for nothing. The Government is donating to them \$50 a year on every thousand of the insurance. I say it is all right to donate it, but there ought to be a donation of \$58. [Applause.] Why don't you get generous enough to add \$8 more onto the \$50 and give every soldier, whether officer or man, a thousand dollars of insurance? Why haven't you got fairness enough to stand for giving every soldier who fights for his country an equal reward and an equal return? Why will you discriminate? Gentlemen, there is no fair basis for any such discrimination; none whatever.

I refer now particularly to the discrimination in the compensation for injury. What is the foundation for such discrimination? Those men were equal at home. Many of the officers of the National Guard were just common fellows, of the sort that Regular Army officers sort of look over their left shoulders at. Some of them have even been workmen. Think of that! [Laughter.] They have worked their way up in the National Guard and perhaps have no large earning capacity. There are plenty of officers in the National Guard and plenty of them in the National Army—officers who were college boys, put into the Army through training camps—plenty of them who are making more money to-day in the Army than they ever made before in their lives. On the other hand, there are thousands of splendid men who have volunteered, and thousands of others just as splendid, who have been conscripted, who have left good jobs where some of them were earning as much money as some of the officers now get, and who are peers to any man who carries a sword at his side. It is a rank discrimination.

I have been a soldier, and I know what it is. I went out of a lawyer's office and volunteered as a private soldier. I was building up a profitable practice, but I took a gun on my shoulder because my country needed me and served for \$15.60 a month. The first thing I noticed was that one of the officers of the regiment into which I had volunteered used to be a soda-water clerk in a drug store, and probably made \$600 a year.

Such is the customary and ordinary thing when the country needs and calls men to arms.

We are not dealing with professional soldiers. Your bill is all right if it was designed only for a professional army—the Regular Army, with its professional privates and its professional officers. It is all right for them, because their rank in the Army has a relation to their social position and earning capacity. But it is all wrong when it is applied to the great citizen army, a great army composed of men who are equal, a great army that is taken by force or by volunteering from all the people. There should be no discrimination among these men.

Mr. DEWALT. In your argument as it is, do you believe that every man in the United States Army and the United States Navy should be paid the same amount irrespective of rank?

Mr. HUDDLESTON. I will say frankly to the gentleman that the man who carries a sword is no better than the man who carries a gun. They are equal, and they have come forward to defend their country, and when you discriminate between them I want to tell you that you violate one of the most sacred principles of democracy.

Mr. DEWALT. That does not answer my question, although it is a beautiful oratorical effort, but it does not answer the question I put.

Mr. HUDDLESTON. I thank the gentleman for the compliment; let him put his question again.

Mr. DEWALT. Does the gentleman believe that every man in the United States Army and the United States Navy should be paid the same amount for his service irrespective of rank?

Mr. HUDDLESTON. Yes; where they are not professionals; where officer and man are alike soldiers of an army of citizens conscripted to defend their country, I state to the gentleman that I do.

Mr. DEWALT. If he does believe that there should be a discrimination—

Mr. HUDDLESTON. No discrimination.

Mr. DEWALT. No discrimination; that a major general should receive the same pay as a private?

Mr. HUDDLESTON. Why not?

Mr. DEWALT. Does the gentleman believe that?

Mr. HUDDLESTON. Yes. Is the statement so extraordinary that I should have to repeat it again and again?

Mr. DEWALT. Then the proper way is for the gentleman not to oppose this bill but to propose a statute making the pay of all men in the service the same, whether he is a private or a major general.

Mr. HUDDLESTON. The gentleman's suggestion is not worth discussion. We have this bill before us. Why tell me to draw some other one? Why tell me to go and propose some other bill? I show you that your bill is wrong, I show you that it is vicious in principle; I show you that you discriminate against common men; I show you that your bill is wrong, because you bear down on the man in the ranks for the benefit of the man who carries a sword. It must be remedied here and now.

Mr. BATHRICK. Will the gentleman yield?

Mr. HUDDLESTON. For a question.

Mr. BATHRICK. I think many of us are in sympathy with the gentleman's contention respecting equality of compensation

between officers and men, but I do not like to see a good argument spoiled—

Mr. HUDDLESTON. Oh, I must decline to yield for a speech. Now, Mr. Chairman, I have been a soldier and I know what it is. I know the difference between being an officer and an enlisted man. I know the difference between carrying a sword and carrying a gun. The difference is as great as between the owner of the factory and the humble laborer in it. The difference is just as wide as that between the owner of the sawmill and the man who totes off the slabs. It is just as substantial and means as much.

A lot of people who have had no experience as soldiers think that being a soldier is fighting and running the risk of death. That is the smallest part of being a soldier. Being a soldier is being a drudge, a laborer; it is digging and sweating; it is standing guard. It means being cold when you would like to be warm; it means being wet when you would like to be dry; and it means being hungry when you would like to be fed. And I want to tell you that all these things bear heaviest on the enlisted man. They do not bear much on the officer.

Mr. Chairman, as I was saying, we have taken thousands of young men of college education and good social position into the training camps. They were subject to conscription like the common man's son. They did not want to be private soldiers. I do not blame them. If I were one of them, I would try to be an officer because I should not want to do the sweating and the digging. But many of their brothers or other men just as good as they are have got to go and fight in the ranks, many of them have got to go as private soldiers, and the only pay they get is \$30 a month. Many of the young men who went through the training camps had no great earning capacity, but now they are drawing \$180, \$250, \$300 a month, or whatever they get. But we are not content merely to give the officer the best of it in regard to pay. When he is in the field we let him carry a sword, and that is his only weight, while the poor private has to carry a gun and other baggage weighing 30 or 40 pounds. We are not satisfied to let the officer stay in the tent in the shade, while the humble enlisted man digs in the ditches, stands guard, and does other hateful tasks—oh, I had rather fight a thousand battles than do this monotonous drudgery of camp life—we are not content to give the officer the best of it all along the line, we are not content to give him a chance to make something out of himself, to have his name mentioned in the dispatches, and come home as a hero, while the man that is doing the fighting in the trenches is not mentioned at all. Nothing is thought of the humble private; there is no chance of promotion, no distinction nor honorable mention for him. All this is inevitable in military life. Yet we propose to further discriminate between the enlisted man and the officer, to discriminate between them when they come home with equally honorable scars, between their mothers, the mothers who gave birth to them, who nourished them, between their widows and orphans, when officer and man heroes alike lie dead upon the battle field. [Applause.]

PATRIOTS AND PROFITEERS

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

DECEMBER 7, 1917

WASHINGTON

1917

30352—18034



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SPEECH
OF
HON. GEORGE HUDDLESTON.

Mr. HUDDLESTON. Mr. Speaker, a declaration of war against Austria-Hungary is a necessary incident to our war with Germany. The German element of the people of Austria-Hungary are in complete accord with the aims, ideals, and culture of the people of Germany; the governments of the two nations have a unity of purpose which has cemented them into an unshakable alliance; the military and financial resources of the two nations have been welded practically into a whole. To war with Germany is, in fact, to war with Austria-Hungary. It is necessary, therefore, that we should abandon the pretense of friendly relations with the latter and frankly acknowledge a state of actual war.

It is easy to declare war, but quite a different matter to wage war; the first is a matter of formal words, the last of devoted and heroic action and perhaps appalling sacrifices. Wars are not to be won by patriotic processions, public meetings, shouting, and display. War calls for the shock of battle and the pouring out of men's blood, and small service is performed by patriotic pretense and flag waving unsupported by deeds. In this awful war emergency the profiteer who camouflages his greed with blatant lip patriotism is the least useful citizen.

ORGANIZATION FOR WAR.

Our country is at grips with the most powerful war machine that ever existed. Germany's terrible efficiency for war commands respect, even from her enemies. It is a heavy task that we have assumed to defeat her. It calls for sacrifices and devotion from all our people.

Germany has been enabled to achieve her terrible efficiency for war by a thoroughgoing organization of her entire resources of men and wealth upon a war basis. Stayed neither by sentiment, property interests, nor humanitarian impulses, Germany has stripped herself for conflict. Every activity of her people has been forced to conform to military necessity. We must match German efficiency for war with American efficiency. Only in this way may we win the war.

Wars are no longer waged between armies, but between whole peoples. No longer is service in war rendered only by soldiers in the field, but now they also serve who follow civilian pursuits—men, women, and even little children a thousand miles from the battle line. Nor is merely flesh and blood the sole food of war. Property must serve as well; property must suffer, must bear its wounds, and make its final sacrifices.

PATRIOTS AND PROFITEERS.

Many of our great captains of industry have been loud in lip service, but it would seem that in their hearts they have scarcely

realized the awful undertaking to which our country is committed. They have continued to think in terms of profits. They have acted on the precept "Business as usual." They have taken advantage of the Nation's peril to profiteer, to exact from Government and people alike extortionate profits on war material and on the necessities of life. They have given themselves to a wild orgy of greed and exploitation such as the world never saw before.

The current report of the Commissioner of Internal Revenue shows that corporations returned for the year ending June 30, 1916, taxable net income of \$5,184,442,389.17 and for the year ending June 30, 1917, \$8,693,841,327.21, so that during the last fiscal year corporations had a net taxable income of \$3,509,378,983.04 in excess of the previous year. These figures do not include the incomes of individuals and firms, nor do they show incomes used for paying expenses, interest, taxes, or replacements or extensions of plants, so that the grand total would be an incredibly stupendous sum. The past two years has been the time for heaping up vast fortunes—for the creation of millionaires and multimillionaires. We now have 206 persons in the United States who admit to yearly incomes of over \$1,000,000, there are 10 who have yearly incomes of over \$5,000,000, while 53,569 of our citizens admit to and pay tax on incomes exceeding \$20,000 per year, and 14,000 of the latter are millionaires and better. It is stated that the past two years has seen the American millionaire class multiplied more than three times.

During the years 1912, 1913, and 1914, 48 American industrial and trading corporations now engaged in war trafficking averaged net annual profits aggregating \$255,050,567. For 1915 their net profits were \$412,348,513; for 1916, \$900,301,596. These corporations made in 1916, \$640,083,669 in excess of the prewar average of 1912, 1913, and 1914. In other words, the net earnings of these companies applicable to dividends in 1916 were more than three times the average net earnings of the prewar period. These companies have, for the most part, not only made gigantic war profits applicable to dividends but have paid for extensions to their plants, so that their actual earnings are really much greater than stated. These figures do not include the big powder companies nor others of the most greedy of the war contractors, and are merely illustrative of a general situation.

Complete figures are not available; however, such reports as we have for the first half of 1917 indicate that war profits will be very much greater this year than last. For instance, in 1916 the Central Leather Co. netted \$15,489,201; it is estimated that in 1917 it will net over \$24,000,000. In 1916 the Republic Iron & Steel Co. netted \$14,789,163; this year it will net over \$22,000,000. In 1916 the United States Steel Corporation netted \$271,531,730; it will probably net over \$550,000,000 this year. In 1916 the Granby Consolidated Mining, Smelting & Power Co. netted \$3,819,295; in 1917 it will net about \$5,000,000. In 1916 the Ray Consolidated Copper Co. netted \$12,084,166; in 1917 it will probably net \$14,500,000. In 1916 the Chino Copper Co. netted \$12,527,948; in 1917 it will net about \$13,600,000. In 1916 the Lackawanna Steel Co. netted \$12,218,234; in 1917 it will probably net \$24,000,000. There is every indication, there-

fore, that 1917 will be a bumper year, in which America's profiteers will accumulate from the war sums of money unparalleled in financial history. It is estimated that American corporations engaged in making war profits will make in 1917 war profits of \$3,600,000,000 in excess of their average profits during prewar years. These calculations show a situation at once shocking and deplorable.

It was recently stated that it costs the United States more than ten times as much as Germany for each soldier maintained in the field. In other words, for every dollar that Germany spends on one of her soldiers the United States spends \$10. This shocking difference is occasioned in a large measure by the extortionate prices exacted from our Government for war material and supplies. The difference is due only in a slight degree to the better pay and better equipment of American soldiers. Our Government is being overcharged all along the line for the things required for war. The worst offenders are the metal producers and manufacturers of war material. It is established beyond doubt that in many cases the Government is being required to pay enormous profits, sometimes reaching 100 per cent and yielding annual dividends to profiteers of 100 per cent, 500 per cent, and 1,000 per cent on their investments. Such a situation is a threat to the financial strength of our country and must be abated without delay.

Not only is extortion being practiced on our Government, but the people of the country are being bled white by profiteers taking advantage of the world-war situation. Producers of great basic commodities, metals, and manufactures have arbitrarily jacked up their prices. Pig iron, which three years ago in my home city, Birmingham, was selling for \$9.50 a ton, was increased to above \$50 a ton, until recently reduced by governmental order to \$33. This is merely an illustration. Coal, copper, and many other commodities were dealt with in the same way. The prices were increased not because of an increase in cost of production but merely because the profiteers could "get the money." They charged all the traffic would bear and gave labor as small a share of the increase as it could be made content with. The arbitrary increase in the price of the great basic commodities soon reacted upon all other prices, and they began to soar, with the result that the cost of living has become almost unbearable. Necessaries of life are rapidly going beyond the reach of the people, and the poor man's dollar has less purchasing power than ever before in the history of our country.

The situation in its aspect both toward Government and people is most dangerous. It must be corrected at once if we are to carry on efficient war. Should it remain unchecked our country's financial strength will be speedily sapped and the patience and the patriotism of the people ground out of them in the struggle against extortion and high prices for food and clothing. The Government must enter upon a thorough-going process of price fixing. Prices of commodities must be arbitrarily forced down, even as they have been arbitrarily forced up. Only in this way can a reasonable relation and equilibrium between prewar conditions, values when normal conditions have again been restored, and the present war situation be maintained.

When we were being urged by some of the same interests now engaged in profiteering to abandon the voluntary system for conscription, we were told to "avoid British blunders." Yet they have not urged that we avoid British blunders so far as business interests are concerned. The monumental British blunder was in assuming that business should be allowed to go on as usual. Yet untaught by this we are proceeding on the same false theory. The recent session of Congress was characterized by war legislation in which regard for men's natural rights was allowed to interfere but little with preparation for war. However, extraordinary tenderness for property rights was shown. Great fear was entertained that business might be disrupted, that the efficiency of American capital and industry might be somewhat impaired so that our after-the-war commercial situation would not be as strong as desired. I have not shared in any such feeling. I refuse to place property or business upon higher ground than men. If there be a moral right to take men against their will for war service, then property may also be taken. If there may be conscription of men, there also may be conscription of profits. If the situation justifies the disruption of homes and dragging the son from the mother's arms and the husband from his wife and children, then surely the sensibilities of profit makers are not to be greatly regarded.

As a matter of principle as well as of good public policy we should not require all the sacrifices war entails to be made by our soldiers and their dear ones left behind. We should also require the corpulent Knight of the Swivel Chair to make his sacrifices. While our soldiers shed their blood he should shed his profits for our Nation's preservation. *No man should be allowed to come out of this war richer than he went into it.* We should see to that by proper price fixing and the levy of income taxes. It would be a shame if at the end of the war, when our soldiers come back to us, we should be compelled to confess that while they were fighting and shedding their blood for us we permitted their loved ones to be sweated and overcharged for food and clothes, and greedy profiteers to practice extortion upon the Government, and thereby create a grievous public debt to burden the shoulders of many generations of their descendants.

PAYING FOR THE WAR.

The cost of the war, so far as possible, should be paid by the present generation. It is we who entered on the war—we who are managing it. Future generations will have their own struggles, their own problems to solve. We should not destroy them in advance by an evil heritage of war burdens. To do so will be unjust to Americans who are yet to be born, to the future of our country, and to the development of the time that is to come. Future generations will have no way to avenge themselves upon us nor to correct the evils we may do. We must leave to them America and its opportunities, fresh and ample as we ourselves received it.

But there are yet other more pressing reasons why we should not finance the war with bond issues beyond what is absolutely necessary. It is because of the inflation of prices that issues of securities cause. The flotation in the United States of European securities reached perhaps six billions before we

entered the war and caused great inflation in circulation and stimulation of industry. The sale of United States bonds has greatly accelerated the rise in prices and industrial activity. Business of many kinds even not connected with war industry is overrun with orders. The supply of labor and transportation is even now inadequate and seriously hampers our war preparations. A thoroughgoing system of profits taxation which will absorb practically all profits in excess of legal interest will act as a salutary curb upon business and industrial activities. Unnecessary businesses will be eliminated so that our commercial and industrial activities may be centered upon war production. It will tend to organize this country upon a war basis and greatly simplify the situation. It will release labor and transportation for military use and make our Nation more efficient for war. It will at the same time have effect to reduce prices of the necessities of life so as to free our people from a pressure which is rapidly becoming unbearable.

OUR WAR AIMS.

A declaration of war against Austria marks the second phase of our entry into the war. The past eight months has brought to many of us clearer vision and a better understanding of the problem before us. The war is not a theory; it is an accomplished fact, and is so accepted by the American people. All of us may not agree as to what our immediate war aims should be. There is ample room for honorable differences of opinion on that subject between the most enlightened patriots. There should be no scorn nor hectoring of those who hold to different views. However, every patriotic American must agree that our ultimate war aim is the protection of American honor, dignity, and interests, and the future security of our country.

As for myself, I hold that as our boys fight for democracy in France we must stand for democracy here at home, for the sacred principles for which our fathers suffered and which are secured to us in the American Constitution. The right to life, liberty, and the pursuit of happiness, the right to govern ourselves, the right of free religion, of free speech, and free press; the right of the people peaceably to assemble, to bear arms, to be secure against unreasonable searches and seizures, and to trial by jury—these are fundamental democracy and constitute real Americanism.

I am resolved to support the war in every way which will adequately furnish our soldiers with the best of food, equipment, arms, and instruments of war, and to do everything in my power for their comfort and welfare; to see that the families of those who are fighting our battles are amply provided for, that those who are disabled shall be cared for so long as they live, and that the widows and orphans of those who do not come back are generously and justly dealt with. I am determined that the cost of the war should be paid so far as possible by those who are making profits out of it, and that no swollen fortunes shall be made out of the Nation's extremity; that extortion is not practiced upon the people; that necessities of life shall be within the reach of common men, and that American liberties shall be jealously guarded always.

Even in this dark hour I dare look forward to the coming of peace. This awful war can not go on always, and surely the

time must soon come when mankind will be restored to sanity and the sun will again shine. I am hoping that peace when it does come may bring us higher aims and loftier ideals, and that it will bring to our beloved country such security and wisdom in which to enjoy it as will enable us to avoid all future wars. I am hoping that in finding peace we may keep ourselves clear of European entanglements and alliances, from competition in Old World's systems of caste and avarice, and that we may hold to traditional American isolation and reserve. Burned on my heart are the words of Washington's Farewell Address:

Europe has a set of primary interests, which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns.

Also the wise counsel which he gave on the same occasion:

Against the insidious wiles of foreign influence the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government; but that jealousy to be useful must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another cause those whom they actuate to see danger only on one side, and serve to veil, and even second, the arts of influence on the other. Real patriots who may resist the intrigues of the favorite are liable to become suspected and odious, while its tools and dupes usurp the applause and confidence of the people to surrender their interests.

The great rule of conduct for us in regard to foreign nations is in extending our commercial relations to have with them as little political connection as possible.

Washington did but voice the sentiments shared by all the founders of the Republic. Time has brought no change calling for the reversal of this salutary policy. It is just as wise now as when Thomas Jefferson expressed it with such wonderful clarity:

I am for free commerce with all nations, and political connections with none; I am for not linking ourselves by new treaties with the quarrels of Europe, or entering that field of slaughter to preserve their balance or join in the confederacy of kings to war against the principles of liberty. The first object of my heart is my own country.

30352—18034

DEMOCRACY AND PROHIBITION

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 17, 1917



WASHINGTON

1917

31791---18056



SPEECH
OF
HON. GEORGE HUDDLESTON.

The House had under consideration the joint resolution (S. J. Res. 17) proposing an amendment to the Constitution of the United States.

Mr. HUDDLESTON. Mr. Speaker, there is all too much to justify the cynicism of those who intimate that Members of Congress are no longer controlled by considerations of political principle, but that they are influenced wholly by expediency, and that State rights doctrines and other political principles are merely invoked as subterfuges to justify them in positions they wish to take. I do not fully agree with them. I believe that there are Members of this body who will not take a near cut, but who will stand by their principles even though they sacrifice themselves in so doing.

I am a prohibitionist, but I am also a democrat. I hold that the right of self-government is more important than prohibition—more important than anything else in the world.

During recent months we have heard much said about democracy and about making the world safe for it. We are sending young American men by the thousands to the blood-stained fields of France to battle for democracy's cause. It is time, then, that we should analyze what is meant by the term and what ideal is expressed in it. Democracy worth fighting for is more than a mere word—a political formula—it is a real vital thing, having a moral aspect, a principle founded in justice and righteousness.

DEMOCRACY IS SELF-GOVERNMENT.

Democracy has its application to individuals as well as to communities, States, and nations. The individual has a natural right to order his own life. It is an unalienable right, coequal with the right to breathe the air, to live. It is recognized by the Declaration of Independence as among the rights of "Life, Liberty, and the pursuit of Happiness." Anyone who presumes to interfere with that right commits a moral wrong greater than if he had interfered with the right of property. "Whoso steals a man's liberty is more a thief than he who steals his property."

The individual's right to freedom of action is limited to such of his acts as may affect himself alone. To the extent that his acts may affect the right of another the other may interfere. Where the individual's acts affect himself and another equally both have an equal natural right to decide upon that action. This necessarily follows from the equal right of each in matters affecting himself.

Of course, it is obvious that an individual may perform few acts which do not affect others. Men's interests are so interwoven that few, indeed, are the actions which may affect single individuals alone. Men's lives are so interlocked that they must stand together or fall together and a wide stretch of imagination is required to conceive a thing which a man may

do and touch no one but himself. This interrelationship, however, does not destroy the abstract principle or its application to acts if such there may be which affect alone the individual who performs them.

But to warrant another to interfere with the actions of the individual they must be such as directly and of reasonable necessity affect him. He may not indulge in remote speculations nor figure upon extreme contingencies. The democracy of individuals will not even permit that the individual's freedom of action may be restrained for his own good. Where the individual has the discretion belonging to sanity he may not be restrained merely for defective judgment, for if such might be done there is no limit to which autocrats might not go. Autocracy is necessarily indefensible, whether benevolent or otherwise, for it usurps power over men reserved to Deity itself.

The democracy of the community rests upon the same principles as the democracy of the individual, upon natural right and justice. To the extent that the community alone is affected, the individuals composing it have the natural right of unrestrained decision and action. That another community whether of greater or less enlightenment should interfere is intolerable to justice and democracy. The right of the community to govern itself is not a mere privilege. It does not exist by virtue of political agreement. Its foundation is not in custom or precedent, but it has a moral aspect springing from the very roots of man's existence.

The principles of individual and community democracy are fundamental; they are wholly applicable to aggregations of communities, and to States and nations as well. Liberty for the individual is but another phase of liberty for community and for nation. It secures the nation's right to rule itself in those things which concern itself alone.

To the same extent that the individual may rule himself, he must not impose his will upon another; and this, again, is true of communities, States, and nations. It is as violative of fundamental democracy that a nation should rule another as that the nation should not be permitted to rule itself. Democracy, then, may be said to have two aspects—the right of self-government of individuals, communities, and nations, and the denial of interference with other individuals, communities, and nations. The truly democratic nation rules itself and does not usurp dominion over its neighbors.

FUNDAMENTAL AMERICANISM.

Upon the principles of democracy Americanism itself is based and the institutions of our country have their foundation. Fundamental Americanism is the right of the people to life, liberty, and the pursuit of happiness, which includes other principles into which it has been amplified and which are designed to secure it, such as the right of free religion, free press, and free speech, the right of the people to bear arms, to peaceably assemble themselves together, to security against unreasonable seizures and searches, and to trial by jury. All of these relate back to the right of self-government, and essence of democracy.

When we apply the principles of democracy to our form of government and to the Union of American States few difficulties are presented. We are a Union of States, of self-governing com-

munities. These communities have organized themselves along certain lines acceptable to a majority of their members, each having the right separately to deal with certain local matters and to exercise police powers for the preservation of order, security, and the protection of home and property interests. Each of the States in consideration of admission to the Union ceded to the Federal Government certain governmental functions which otherwise the State might have exercised, but by universal practice and common consent the police powers were reserved.

For one State to dictate to another how it shall exercise the police powers reserved to itself is a gross usurpation—yea, more, it is a denial of democracy and a moral wrong more serious in its nature than the taking of property without the consent of the owner. Dictation by a number of States to a sister State is not different in its moral aspect from dictation by a single State. The compelling force is greater; that is all. By the Union of States there is a pledge of faith that each State may continue to exercise powers not granted to the Federal Government. A change in this principle constitutes a breach of faith, even though such change be wrought under forms of legality.

SELF-GOVERNMENT IS WISE AND EXPEDIENT.

In view of the different origins of the people of various sections and their consequent difference in religion, ideals, customs, and modes of thought, each community is better fitted to deal with questions concerning itself alone than is the Nation as a whole. Each community is a better judge of its own habits, manners, and moral standards. Community matters left to settlement by the majority of community opinion will be dealt with more wisely and with a better understanding. So that reasons of expediency, were it not also a matter of justice, call for local self-government in all matters of purely local concern.

These considerations apply to many questions in addition to prohibition; especially are they applicable to the exercise of the voting franchise. In some communities the harmony of the people is such that a vote may be given to every individual. In other sections such a course would disrupt its civilization. In certain localities in the Southern States the population is as much as seven-eighths colored. To give a vote to every individual in such localities would mean the reduction of its civilization to negro standards and would be harmful alike to both white and black races. In other regions of the country the population is overwhelmingly of alien ideals and birth. If each individual in such sections were given an equal voice, alien sentiments, ideals, and institutions will prevail, and what we cherish as a distinctive American civilization be extinguished.

The arguments in behalf of local self-government as most wise and expedient apply to many subjects, such as marriage and divorce, schools of mixed races, housing conditions, Sunday observance, the teaching of religion in public schools, the sale of intoxicating liquors, and many other subjects. In all this class of matters the community is best qualified to deal, and a gross mistake will be made if the National Government assumes control. The ideal for which America should strive is the solidarity of our people—not in petty things touching each community at a different angle, but solidarity in the big thing of loyalty to fundamental Americanism.

For generations the Democratic Party has steadfastly adhered to the principles and advocacy of States' rights. Declarations in favor of the protection of the rights reserved to the States and of respect for the sovereignty of the State in the exercise of powers reserved to it are to be found in every platform of the Democratic Party for 50 years and more. That the abandonment of the doctrine of States' rights should be advocated by any true Democrat at this time is grossly inconsistent. However, the right of self-government is fundamental and may not be changed or abandoned as a principle of mere political expediency. It is of the essence of democracy and may not be abandoned without turning one's back upon natural right and basic Americanism.

PROHIBITION AND DEMOCRACY.

The principle of prohibition of the sale of liquors is not violative of the democracy of the individual. The liquor traffic concerns not alone the buyer and the seller but the entire community—the entire State. Local option should be equivalent to State option, for the interests of the entire State are involved. The sale of intoxicating liquors means disorder, insecurity of the home, lawlessness, and violence. It means frightened and abused women and children, poverty, degradation, and disease. It lays its burdens upon the county poor house and orphan asylum. It is reflected in public charities and wayside beggars. It shows itself in hospitals for sick and insane. It fills jails and penitentiaries and furnishes grist for the courts. These matters touch the interests of the State as a whole, and it would be absurd to leave to the decision of the saloonkeeper and his hapless victim whether the traffic should go on; absurd to leave it to the community in which the sale is made. It is the State, which must deal with all the evils that flow out of the liquor traffic, must rescue its widows and orphans, patch up its wrecked lives, defend the innocent, and make good the ravages of this awful business. The State is the local unit which should make final decision.

The decision whether liquors should be sold belongs to the exercise of police powers. Upon the fundamental principles of the Union it is a decision belonging to each separate State. It is clearly within the powers reserved to the States under their contract with each other by which they formed the Union. It is a matter which relates to the right of the State to govern itself. If it is taken away, a denial of self-government occurs; a natural right is invaded; a moral wrong is done.

No assumption of superior wisdom or virtue upon the part of other States can justify such usurpation and denial of self-government, for in any event the smaller wrong is corrected only by committing a greater wrong, for after all human liberty is the most important thing in the world.

In some sections of the country it has been sought to leave the decision upon the sale of liquors to the option of the immediate locality. It has been argued that the citizens of the circumscribed locality where the actual sales are made should be allowed to decide upon the matter; that the few who might be in the immediate vicinity where the sales take place should alone be consulted to the exclusion of those among whom the liquors are consumed after sale, and whose peace and security

are jeopardized by those who consume the liquors. A decision of such a question by only a fraction of those directly affected necessarily is undemocratic and can not be defended on grounds either of justice or expediency. Such questions are not to be decided by the village, township, or county in which sales are made. If it were possible to confine the consumption and evil effect of liquors to a restricted area, it alone should decide the issue, but such is manifestly impossible. Therefore it would seem that the larger local governmental unit, to wit, the State, is the political unit to which should be left the decision. Necessarily some middle ground should be found between the extremes of selecting the individuals who are most immediately affected by the sale of liquors for an electorate and leaving the decision to the people of the whole Nation, the vast and overwhelming majority of whom have no interest, direct or indirect, in the matter. Therefore logically it is by the people of the separate States that the decision should be made. In the nature of things a juster and wiser decision may be made by each separate State for itself than by a majority of the States for the remainder. We are not yet a homogeneous people. Our country is peopled by immigrants from various European countries and their descendants, having widely divergent social ideals, customs, and habits, each people having its own peculiar strength and virtue. Customs and laws suited to one section of the country do not find favor in others, and there is no place nor propriety in iron-bound uniformity. Therefore it would seem desirable that it should be left to each State to decide for itself matters which do not affect our whole people.

The sale of liquors in a given State can not reasonably be said to directly affect the people of a distant State; the latter have not such knowledge of local sentiment nor skill in local affairs as would qualify them to intervene. Such intervention can but result in confusion, disorder, and dissatisfaction. Prior to the adoption of the "bone-dry law," States in which the sale of liquors was legalized were enabled to endanger the safety of adjoining States for their citizens by sending liquors into adjoining States, could provoke disorder and lawlessness. The adoption of the bone-dry law, however, has ended all that. It is now as unlawful to carry liquors into a prohibition State as to manufacture them therein. The strong arm of the Federal Government is thus called into action in defense of a State's prohibition laws. It is only through the failure to enforce the Federal statute that the security of a State may be impaired.

PROHIBITION IN ALABAMA.

The results of prohibition in Alabama have been all that its advocates hoped for. It has caused great moral, spiritual, and economic advances. A few years ago, during the time of the open saloon, the jails in my home city, Birmingham, became habitually so crowded as to become dangerous to health. A new and handsome city jail was constructed and was soon filled with prisoners. Then prohibition came in and soon the number was cut in half. Since the passage of the bone-dry law the new jail has been emptied. It has now been unused for several months and recently the city authorities have tendered it to the Government for hospital purposes. The offenders in this city of 175,000 are now confined in the small prison adjoining the police court. A few days ago the coroner of my county told me

that in May last we had 31 deaths from industrial accidents, suicides, and manslaughter, and that in September last the number was reduced to 4. This resulted, as he believed, from the bone-dry law.

I have been an advocate of prohibition even from my boyhood. As a citizen I have voted for it whenever I consistently could. I voted for prohibition when it was a matter of local option in my home county. I voted for it when it was proposed to put prohibition in the Alabama constitution. As a Member of Congress I voted for prohibition for the District of Columbia, for Porto Rico, and for Alaska. I have voted for it on every occasion when I felt that it was a legitimate subject for Federal legislation. I would gladly vote to put prohibition in the Federal Constitution if my conscience and my principles did not forbid. I am a prohibitionist, but I am also a democrat. I do not mean that I am a democrat merely in the party sense, but that I am a democrat in that I am a believer in the right of self-government—in the right of every community and State to decide questions which concern themselves alone.

It is exceedingly painful to me to find myself out of harmony with so many of my friends upon the prohibition question, men with whom I have been associated in church and social life and in movements for the public welfare, and for whose views I have profound respect. Only to-day I received a telegram from my Sunday-school class urging me to vote for national prohibition. It is most embarrassing to find myself in opposition to some of the great Christian influences of the Nation—Influences disinterestedly devoted to progress and to the public welfare. However, painful as it is to oppose the wishes of my friends, my conscience demands that I should remain faithful to the principles of democracy as I understand them. The future of my country depends upon the preservation of democratic principles. I can not now ignore them, even though I might approve the object sought to be achieved. I can not take this near cut and thereby establish a precedent which will greatly vex us in future.

I believe in prohibition. I look on it as a good thing, but I can not vote to force it on communities remote from my own, of which I have no specific knowledge and in which I have no particular interest. In my own State we already have prohibition. The Federal amendment will be of no benefit to us. It will merely serve to inject the prohibition issue more fully into State politics. This will be harmful to Alabama. It will delay much needed reforms and divert attention from grave public matters of more pressing concern to my State. Alabama through her legislature chose prohibition voluntarily. It was not forced upon us by other States. We accepted it deliberately, not as the result of outside dictation. I am willing to accord to the people of other States the same privilege that Alabama has asserted for herself; that is, to decide for themselves whether they will stop the sale of liquors. I should resent with all my soul any attempt upon the part of a combination of other States by amendment to the Federal Constitution or otherwise to force the liquor traffic upon the people of Alabama. Likewise I shall not take part in an effort to prohibit such traffic in other States, the people of which desire that it should continue.

PAYING FOR THE WAR.

SPEECHES
OF
HON. GEORGE HUDDLESTON,
OF ALABAMA,
IN THE HOUSE OF REPRESENTATIVES,

March 30, April 3, and April 6, 1918.

April 3, 1918.

Mr. HUDDLESTON. What is the expense for the fiscal year for carrying on the war, exclusive of loans to the allies, expected to be?

Mr. KITCHIN. During the fiscal year 1917 we loaned the allies \$885,000,000. This fiscal year we expect to loan them \$6,115,000,000. Deducting \$6,115,000,000 from the \$16,116,000,000 will give you what it is.

Mr. HUDDLESTON. The statement was made last year when we were considering the war-tax bill that it was expected to pay by taxation substantially one-half of the expenses of the war. Has that idea been abandoned?

Mr. KITCHIN. I will say to the gentleman that that statement was made when we were considering the first bond bill of April 24, 1917. Of course, the administration and the departments did not dream that the demands on the part of the allies or the demands on the part of this Government for the prosecution of the war would be anything like the amount that we now know we will have to have.

Mr. HUDDLESTON. What part of the war expense do we now expect to pay by taxation and what part by bond issues?

Mr. KITCHIN. The administration started out with an idea of 50-50—that is, 50 per cent taxation and 50 per cent bonds—but the expenditures on our part on account of the war and the loans to the allies grew so enormously that they have abandoned that suggestion as being impracticable, if not impossible.

I do not know what the present idea of the administration is, and I would not like to say definitely what my idea is now, but I will say to the gentleman that it will become absolutely necessary for us to have a good deal larger collection from taxes if the bond issues continue, and in all probability they will. I hope at a later and more proper time to give to the House my mature and definite opinion with respect to the raising of revenue by taxation and bond issues.

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Mr. HUDDLESTON. There are a few Members of the House who want to support the Government in all necessary ways, but who are unwilling to vote for bond issue after bond issue indefinitely when the rate of taxation is much lower than it might well be and much lower than it is in foreign countries that are carrying on the war. Speaking as one of those I would like to know

how much longer I am expected to vote for bond issues. I am willing to vote to give the Government all the money that it needs, but I am unwilling to burden future generations by these bond issues and leave rich men of the present generation to enjoy many advantages with but little suffering from the pains of the war.

Mr. KITCHIN. I am in sympathy with the idea that we should fasten as little burden as possible on future generations and raise as much now by taxation as is reasonably possible, considering the necessities for keeping the industries going and not seriously crippling them.

Mr. HUDDLESTON. We are sorely burdened by the tremendous increase of prices of articles of all kinds and by an artificial and unnecessary stimulation of business. All this has been greatly aggravated by the constant bond issues. A higher rate of taxation would act as a curb on these prices.

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Will the gentleman allow me to ask how much increase would there be in tax collections if we levied the same rate on profits as the British are levying?

Mr. KITCHIN. If we levied the same rate on excess profits that Great Britain does and had our provisions in the present bill and levied the same normal income tax as Great Britain does, keeping our surtaxes the same as we have on incomes of \$200,000 and up, we would raise some two and a half or three billion dollars more.

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March 30, 1918.

Mr. HUDDLESTON. Mr. Chairman, I move to strike out the last word. I am amazed by the suggestion advanced by the gentleman from Ohio [Mr. LONGWORTH] that increased rates of taxation would cripple business. It would seem to me that his suggestion can not be reconciled with the profits that big business and big industry have been pocketing for the past two or three years.

The current report of the Commissioner of Internal Revenue shows that corporations returned for the year ending June 30, 1916, taxable net income of \$5,184,442,389.17 and for the year ending June 30, 1917, \$8,693,841,327.21, so that during the last fiscal year corporations had a net taxable income of \$3,509,378,938.04 in excess of the previous year. These figures do not include the incomes of individuals and firms, nor do they show incomes used for paying expenses, interest, taxes, or replacements or extensions of plants, so that the grand total would be an incredibly stupendous sum. The past two years has been the time for heaping up vast fortunes—for the creation of millionaires and multimillionaires. We now have 206 persons in the United States who admit to yearly incomes of over \$1,000,000, there are 10 who have yearly incomes of over \$5,000,000, while 53,569 of our citizens admit to and pay taxes on incomes exceeding \$20,000 per year, and 14,000 of the latter are millionaires and better. It is stated that the past two years has seen the American millionaire class multiplied more than three times.

During the years 1912, 1913, and 1914, 48 American industrial and trading corporations now engaged in war trafficking averaged net annual profits aggregating \$255,050,567. For 1915

their net profits were \$412,348,513; for 1916, \$900,301,596. These corporations made in 1916, \$640,083,669 in excess of the prewar average of 1912, 1913, and 1914. In other words, the net earnings of these companies applicable to dividends in 1916 were more than three times the average net earnings of the prewar period. These companies have, for the most part, not only made gigantic war profits applicable to dividends but have paid for extensions to their plants, so that their actual earnings are really much greater than stated. These figures do not include the big powder companies nor others of the most greedy of the war contractors, and are merely illustrative of a general situation.

Complete figures are not available; however, such reports as we have indicate that war profits were very much greater for 1917 than for 1916. For instance, in 1916 the Central Leather Co. netted \$15,489,201; it is estimated that in 1917 it netted over \$24,000,000. In 1916 the Republic Iron & Steel Co. netted \$14,789,163; it is said to have made over \$22,000,000. In 1916 the United States Steel Corporation netted \$271,531,730; it probably made over \$550,000,000 this year. In 1916 the Granby Consolidated Mining, Smelting & Power Co. netted \$3,819,295; in 1917 it made about \$5,000,000. In 1916 the Ray Consolidated Copper Co. netted \$12,084,166; in 1917 it probably made \$14,500,000. In 1916 the Chino Copper Co. netted \$12,527,948; in 1917 it made about \$13,600,000. In 1916 the Lackawanna Steel Co. netted \$12,218,234; in 1917 it probably made \$24,000,000. There is every indication, therefore, that 1917 was a bumper year, in which America's profiteers accumulated from the war sums of money unparalleled in financial history. It is estimated that American corporations engaged in making war profits made in 1917 war profits of \$3,600,000,000 in excess of their average profits during prewar years. These calculations show a situation at once shocking and deplorable.

Yet these poverty-stricken corporations can not stand additional taxation. The multiplication of millionaires is going on now. It has gone on steadily since war was declared. Since our country entered into this terrible struggle it has gone on with increasing momentum. The people who are making money out of this war ought to be made to pay for it, so far as they are able. No man has a right to come out of this war richer than he went into it. When men are laying down their lives in defense of that flag, when men are pouring out their blood for America, the idea that we shall have in our land a lot of swivel-chair profiteers who are heaping up profits and fattening their fortunes out of the distress of our country is intolerable and a stench in the nostrils of every patriot.

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But it is not alone that feature of the matter. It is that in order to save the men who are making millions we are putting burdens on generations yet unborn, and maybe for a thousand years.

The gentleman from Iowa suggests that he has lost sight of the debt that we were incurring. Mr. Chairman, that is one of the most important things; one that we must keep always in mind. All men must die. It is a small thing to die. We have all got to die some time. It is sweet to die for one's country—in the service of one's country. I do not know of any way a man might better choose to die. But it is not sweet to destroy one's country; it is not sweet to lay taxes on babes yet unborn. It

is not sweet to jeopardize the future welfare of our country for a hundred years. That is what it means when we go on with interminable bond issues. That is what it means when we incur debts that a dozen generations can not pay. Those that are to come after us have their rights. They will commit their follies; it may be they will have their wars. They must suffer for their own folly and misdeeds. It is not right that we should anticipate and lay upon them the burdens of this generation and punish them for the folly, cowardice, and selfishness of this generation.

So, as I say, that it is with great reluctance that I vote for this bond issue as long as the rate of taxation is kept where it is.

It is with great reluctance that I vote for the issuance of bonds when I see vast fortunes being piled up in the coffers of men who do not need the money, but get it merely for the pleasure they gain by the getting. I hate to vote for a bond issue under any such circumstances. I want to say that the time is near at hand when I for one shall refuse to further burden the future. I say that because it is the best way I have to protest against such a policy. I want to give the Government all the money it needs to carry on the war. I am willing to strip myself to the bone and give my last cent. I am anxious that we should do everything necessary to carry on the war, but I am not willing that we should jeopardize the future of our country by a reckless and suicidal financial policy that will lead to the financial ruin and bankruptcy of the future.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. GREEN of Iowa. I think the gentleman could not have carefully listened to my remarks, for what I hoped to make plain was that I was in favor of a larger taxation and a smaller bonded indebtedness. What I did say was that I was not so anxious about the interest as I was that in the future we might win this great battle.

Mr. HUDDLESTON. As it is necessary, every Member will vote for it. But what I am pointing out is that it is a crime against the country to continue to issue bonds when there are idle and selfish dollars in the pockets of the rich that should be put into the war alongside of the boys in the trenches. We are fighting for the honor and dignity of our country. Let property make its sacrifices as well as the humble citizen. [Applause.]

April 6, 1918.

Mr. HUDDLESTON. Mr. Chairman, a few days ago I took occasion to comment in the House upon the unwisdom of our ratio of bond issues to taxation. I expressed the opinion that we should collect more taxes in proportion to the amount of bonds that are being sold to finance the war. The view was expressed at that time by certain Members that business could not stand higher taxation; that higher taxes would cripple business.

I desire now to further refer to that subject and to answer the claim that business will be crippled by increased taxes. I wish to take up the case of the United States Steel Corporation. I refer to that concern for a number of reasons. The first is that it employs 25,000 men, or thereabouts, in my own district, and I believe that comment of this kind ought, like charity, to

begin at home. I refer to that concern also because it is the largest employer of labor in the United States.

I refer to it because, on account of its wealth and influence, of the power that it wields, it has been able to get along and carry on its operations without recognizing the right of men who toil to organize, to form themselves into labor unions. The United States Steel Corporation has never recognized any such right upon the part of the men who work for it. Itself constituting the greatest industrial organization in this country, having, as has been charged in the courts, a monopoly of ore supplies, enjoying enormous influence and wealth, thoroughly organized itself, its vast activities carried on under the direction of one or two supreme heads, it has denied to the 275,000 men who work for it the same right, the right to organize and to bargain collectively with their employer.

I also refer to this corporation because it has steadfastly refused to give recognition to the basic eight-hour day. It has refused to allow the principle advocated by the President of the United States, that society has reached the point where it recognizes the justice of the eight-hour day. Men are now compelled to work for the Steel Corporation 8 hours, or 10, or 12 hours, or whatever number of hours the employer demands, without any regard to overtime or of the justice of the eight-hour principle. Therefore it seems fair, in view of all these things that distinguish this great industrial concern, that we should take it as a type and look to it and see what it is doing in this time of war and national distress and what profits it is realizing.

I hold in my hand the report for 1917, recently issued to its stockholders by the United States Steel Corporation. It is not a clear report. I do not think that an accountant could take this report and find out what the net profits of the Steel Corporation were for last year. I will not presume to say that the report is intended to mislead; I will not make that charge. I do say that the profits that the Steel Corporation was able to make during last year are so covered up in it that, although it purports to be a real exposition of that subject, it is impossible for any man, accountant, layman, or whatever he may be, to tell from the report just what it earned.

There are, however, statements in this report that throw some light upon its operations. For illustration, the report states that the net earnings of the Steel Corporation for last year were \$304,000,000. That is to say, the net earnings, after deducting "*allowances for estimated proportion of extraordinary cost of facilities installed by reason of war requirements and conditions, also taxes—including an estimate of \$233,465,435 for account of Federal income, war income, and war excess-profits taxes payable in 1918—but exclusive of charge for interest on outstanding bonds, mortgages, and purchase obligations of the subsidiary companies,*" amounted to \$304,161,471.53.

The report states that after making those deductions the net earnings of the corporation were \$304,161,471.53. How much would have been shown if those legitimate items had been added—and they ought to have been added if the statement was intended as a candid presentation of the earnings of the company—how much they would have been shown to be, with such items included can not be learned from this report.

I do observe, however, the statement that \$233,465,435 has been set apart to pay Federal income, war income, and war-

excess-profits taxes payable in 1918. Using that as a basis, and making the best calculation that an expert can make from these figures, which is, take them as 32 per cent of the taxable income of the company, the net earnings of the Steel Corporation for last year was in the neighborhood of \$729,000,000. So much for that.

Now, let us see what the earnings of the concern applicable to dividends were according to its own statement. This corporation has \$508,302,500 common stock, commonly believed to be practically pure water, without hardly the color of value having gone into the assets of the company. It has \$360,281,100 of 7 per cent preferred stock and has a bonded debt, it and its subsidiaries, of \$586,828,875.89. Out of the \$304,161,471.53 net earnings, as shown by its report to remain after making all deductions for taxes, replacements, and so forth, charged off, the Steel Corporation paid \$25,219,677 as the dividend of 7 per cent on its preferred stock, and the interest on all its bonded indebtedness amounting to \$30,125,594.67, making a total of \$55,345,271.67, which, taken from the earnings of \$304,161,471.53, shows that for 1917 alone the net profits of this corporation applicable to the common stock were \$248,816,199.86, which was 49 per cent earnings upon the common stock of that corporation for the space of one year.

How can it be argued that a corporation earning such dividends as that can not stand further taxation? How can it be argued that corporations which earn practically 50 per cent upon their common stock, after paying all charges of every kind, should not in this time submit to further taxation? In 1914 the Steel Corporation made only \$23,496,796; in 1915, \$75,833,833; in 1916, \$271,531,730, compared with its prewar average profits of \$63,585,777 for the years 1911, 1912, and 1913.

What would have been the taxes of this corporation under the British law, according to the British rate of 80 per cent on excess profits and 25 per cent on average prewar earnings? The Steel Corporation for the prewar years of 1911, 1912, and 1913 earned an average of \$63,585,777 annually. On this average the British rate is 25 per cent, or \$15,896,444, with a rate of 80 per cent upon the excess above that, which would have yielded the further sum of \$371,531,378.40. The figures are based upon the statement in the report of net earnings of \$304,161,471.53 plus the sum set apart for Federal taxes, \$233,465,435, which makes a total income upon which taxes are to be paid, as admitted by the report, of \$537,625,906.53. So that if the Steel Corporation had been doing business in Great Britain instead of America, in place of paying taxes of only \$233,465,435 to the Government, it would pay \$387,427,822 taxes to the Government. *So that by being in the United States instead of in Great Britain this corporation saves the tidy sum of \$153,962,387 in taxes in one year.*

Had this corporation paid taxes according to the British rate of 80 per cent upon their excess profits it would still be able to place to the credit of the common stock 18.9 per cent for 1917 alone. Is not that enough in these war times? Is not that enough profit for even a war contractor to make in this time when men are laying down their lives for the flag?

The Steel Corporation is merely a type; it is merely one of many concerns which are making enormous profits. Such profit-

making concerns may be numbered in thousands. I have no sympathy with corporation baiting, and I hope never to be guilty of it. But also I have no sympathy with profiteering when the country is torn with distress, when a million firesides are desolate, and when anguish is entering into a million American homes.

The matter of vast profits being earned that I have referred to relates to the ability of concerns situated as the United States Steel Corporation is to pay a greater rate of taxation than they are now paying. It relates to the justice of requiring higher rates of taxes from such concerns. It relates to the necessity, if we are going to present a clean face to our soldier boys when they come back from France, of having done our duty here while they were doing their duty over there, that we shall increase the taxes on those who are making big profits out of the war and make them furnish the money, so far as they are able while our boys are furnishing the manhood on the battle line.

But there is another aspect to this matter, a purely economic aspect, which does not heed the question of justice, which assumes that profiteers have the right to make all the money they can and that they should not be stayed in their operations. That is, whether it is good from an economic standpoint that we should allow such low rates of taxation at this time, and to issue bonds to get money to carry on the war. We are faced with an inflation of prices such as this country never saw. It began with the outbreak of the war in Europe. We then began to issue more money in this country. We have inflated the per capita circulation from \$34.35 in 1914 until it is \$49.70 per capita at this time. Practically all of that inflation took place before we entered the war. The result of that inflation was that prices went up and up and up until when we entered the war there had been an increase of over 50 per cent above prewar prices.

Of course, not all of that increase in prices was due to the inflation of circulation. Some of it was due to the laws of supply and demand. The least part of it was due to such laws. The most of it, in my judgment, was due to the fact that we inflated the circulation in this country and that there was a great return of American securities held in Europe prior to the outbreak of the war, those securities being sent back and resold in this country, which furnished a basis of credit and thereby business was stimulated and credits inflated and prices grossly increased. In addition to that, of course, was the fact that foreign countries were permitted to float their own securities in the United States to the extent of—I do not know how much—perhaps as much as \$2,000,000,000, and that also furnished a basis of credit and aggravated the inflation.

But the fact remains that we have had an increase in prices of the necessities of life since we went into the war of 21 per cent, according to the statement issued the other day by the Department of Labor. Now, we have not inflated the circulation very much since we entered the war. But we have issued bonds to the amount of billions of dollars. The bonds that have been issued in this country have been used largely as a basis of credit. There has been a tremendous stimulation of business. There has been a great increase in circulation due to that fact, and the result is that we have had this further increase of 21

per cent in prices since we entered the war. That great increase I attribute principally to the fact that we have been financing this war with bonds instead of financing it with taxes. The result, stated in another way, is that a man who had a dollar last April now has only 79 cents. The men with money all did one of two things. Either they were content with what they had, as far as a man with money is ever content with what he has, and they invested it in tax-free Government bonds and hid their money away so that we could not take it to help pay for the war, or they put it out and started it to work doing something. A man can not afford to hold idle money when it is going down as it has gone down in purchasing power during the past year. A man can not afford to hold idle money to-day, because it is going down still further, if we continue these bond issues. Therefore, he has got to put it into business or industry. And what is the result? There has been a tremendous stimulation of industry. Business is stimulated to a point that this country never saw before.

The inflation of circulation and stimulation of business has made money plentiful, it has fallen into the hands of almost every class of citizens, and the people of the country are going on a joy ride of extravagance and financial profligacy. That applies to all persons more than professional men and those working for salaries; they have had the least out of this change. Practically all other classes are spending money with a free hand as they never did before; they are consuming more than they ever did before; they are eating more food and better food; they are throwing more food away; they are throwing away money on automobiles, fine clothes, and luxuries as they never did before. All this means a waste of our strength and resources. Business is so stimulated that there is a greater consumption of raw materials of all kinds. There is a congestion in transportation; there is a general riot, as you might call it, of waste, lost motion, and extravagance going on all down the line. This does not injure alone the people who are spending the money, it does not hurt alone those who are wasting it, or the business men who are making the money freely and spending it in the same way; it hurts the Nation and it hurts the country as a whole and hinders us in carrying on the war.

Now, I have got to the point. It seems to me that every man who loves his country would want to devote its energies to essential things. We are giving too much of America's strength to things that have no relation to this war. Not one-tenth of our possible strength is going into pressing the war to victory. Men are busying themselves with making money. No man has the right to make money at this time beyond his absolute needs. We must curb business activity by laying a heavy tax on its profits; we must take away the inducement to profiteer; we must turn back into channels of war use all the waste of raw materials and muscle now consumed in profit-making business enterprises; we must release for war purposes the men, the capital, and the materials which have been diverted to activities which have no bearing on the war. This can be done effectively only by heavy taxation on profits.

53984—18426

In Defense of Jefferson County Registered Men.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 13, 1918,

On the resolution (S. J. Res. 123) providing for calling into military service certain classes of registered men; to change the quotas of States and districts from population to the basis of those placed in class 1

Mr. HUDDLESTON. Mr. Speaker, the bill under consideration will not add a single additional man to the American armies. It will not make a single soldier more efficient. These things are not claimed for it. The main purpose of the bill is to provide for a change in the quota of conscripts which States and Districts are required to furnish. Under the existing conscription law each State and District is required to furnish soldiers in proportion to its population. This bill would change that basis. Its purpose is to require States and Districts to furnish soldiers in proportion to registered men who have been placed in class 1.

In other words, it is proposed that we shall change the rules of the game after it is half played. Communities have already furnished men on the population basis. Local boards in making their classifications have acted on the theory that the same basis would be used in future. There has been a wide variation in the classification of men. Some boards have been much more exacting than others. The Alabama boards have been unusually strict. It is now proposed by this measure to take advantage of such communities and to require them to furnish more than their fair share of men to fight our battles.

There has been no uniformity in the classification of registered men. Boards in some sections have been generous in recognizing dependency and industrial occupation as causes for placing men in deferred classes. In other communities boards have acted with great harshness and have placed all registrants in class 1 who did not have a clear and unquestionable right to a deferred classification. In some communities persons actively engaged in necessary industry, mining, and railroading, have been placed in deferred classes; in other communities men with dependent parents or with wife capable of earning a living were placed in class 2. Other boards have placed all such men in class 1 without regard to dependency or occupation.

The object of the present bill is to base all future quotas upon the number of men placed in class 1, ignoring entirely those placed in deferred classes. Hereafter States and districts would be required to furnish soldiers in proportion to the number placed in class 1. This operation of the law would

work a great hardship and injustice upon States and districts whose board have been strict or harsh in classifications.

DISCRIMINATION AGAINST ALABAMA.

The average number of men placed in class 1 in all the States is 27 out of each 100 classified. In the great State of Pennsylvania only 24 out of 100 are in class 1. In California only 21 out of 100 are so classed. Alabama boards have been unusually strict and have classified 31 out of each 100 in class 1. This means that if this bill is passed for every 21 men which California may furnish Pennsylvania will furnish 24 and Alabama 31.

But this is not all. There has been a wide variation in classifications even in Alabama. Some counties have placed only 18 out of 100 in class 1. Jefferson County, which constitutes my district, is a great industrial center and if men are to be excused for industrial reasons more men should be given deferred classifications in Jefferson than in any other county. But what do we find? We find instead of 18 out of 100 as in some Alabama counties, and 31 out of each 100, the average for Alabama as a whole, *Jefferson County boards have placed 40 out of each 100 in class 1*, so that if this bill is passed for every 31 men that are sent to the war from other Alabama counties Jefferson will have to send 40 soldiers.

The records in the office of the Provost Marshal General are as yet incomplete. However, they show some startling variations in classifications even among different boards of Jefferson County. The Provost Marshal General's records show that Jefferson Board No. 2 has placed 47.8 men out of 100 in class 1, and Birmingham Board No. 6 only 31.5 men out of 100. Under the existing law these districts will furnish men on the population basis so that except for injustice to the individual man harshly classified the district as a whole will not be harmed, but under the proposed bill soldiers must be furnished on the basis of class 1, so that for every 31 men furnished by District 6 in the city 47 men must be furnished from country District 2. In other words, District 2 is penalized; 16 men will be sent to war merely because they reside in that district instead of residing in Birmingham District No. 6.

These are the figures which I have obtained from the Provost Marshal General's office:

Classifications for Jefferson County, Ala.

Board	Total classified	Class 1.	Per cent.
Jefferson, No. 1.....	6,229	2,513	40.3
Jefferson, No. 2.....	2,328	1,115	47.8
Jefferson, No. 3.....	3,077	1,007	34.7
Birmingham, No. 1.....	2,613	871	33.3
Birmingham, No. 2.....	3,371	1,446	42.9
Birmingham, No. 3.....	4,341	1,846	44.8
Birmingham, No. 4.....	2,660	1,050	39.4
Birmingham, No. 5.....	3,782	1,589	42
Birmingham, No. 6.....	1,860	587	31.5
Birmingham, total.....	18,627	7,389	39.6
Country districts, total.....	11,634	4,695	40.3
Jefferson County, total.....	30,261	12,084	39.9

I have no doubt that the members of Board 2 have done the best they could with the lights before them. It is obvious that in making classifications they have applied entirely different rules from those observed by Board 6. I will not vote for a bill which does such a rank injustice. I will not give countenance to harshness in classification nor penalize conscription districts merely because they happen to have boards which take a harsh and narrow view of the rules. I will not vote to permit discrimination against the people of my State nor of my county, nor of the conscription districts therein. I am here, of course, in the large sense as a representative of the people of the whole United States, but I am the particular Representative of my own constituents. It is my duty to protect them, and it is, indeed, a gracious task when in so doing I feel that I am protecting many other communities which are similarly situated.

REAL PURPOSE OF BILL.

The obvious purpose of this bill is to benefit the big industrial districts of the East and North where registrants have been given deferred classifications on ground of occupation. It will further benefit the big cities with their large alien populations. The burden taken off these communities is to be placed on the native American element. Members of Congress from alien and industrial districts recognize where the benefit goes and are unanimous in support of the bill. In no other industrial district in the whole country have so few men been given deferred classifications as in the Birmingham district. This is obviously due to the fact that our local boards have interpreted the classification rules with exacting strictness. Especially is this the case with county Board 2.

I refuse to support this bill. The fact that the Provost Marshal General favors it is important, but it does not outweigh the injustice which will be done my constituents. His advice is worth considering, and I have given it careful consideration, but my conscience will not permit that I override my own judgment and vote for a clear injustice. I shall vote against the bill although mine is the only vote registered against it and though I stand single and alone among the Members of the House.

A LYING EDITOR.

I do not doubt that I shall be criticized by the jingo and extremist element even of my own city. Only two days ago the lying editor of a Birmingham newspaper devoted an entire editorial column to abuse and dishonest criticism of me. I am helpless to defend myself against such attacks. I have no newspaper and no space in one in which to answer the editor's slanders. I must content myself with doing my duty as I see it and trust to my people to do me justice.

Unfortunately, I have in my district a small but noisy element prone to claim for themselves all the virtue and all the patriotism. They are indeed chock full of the kind of patriotism that finds its only expression in shouting, flag waving, and advocacy of extreme measures. They are brave, yes, indeed, brave safely at home, brave in sending others to fight, but doing no fighting themselves; they would rather talk, would rather vilify their Congressman. They demand conscription, both now

when war is on and for times of peace—conscription for others, mind you, not for themselves nor their sons. I wonder how they would take to a conscription which would drag them from their easy chairs and comfortable beds to do some useful work for the country in this hour of its peril.

This is the element for which the reptile editor of the Birmingham News speaks. They are enraged because they can not dictate to me. I am too conservative for them. They would have my voice in harmony with their own strident braying. I am too much a man of peace, they say. I love peace, it is true, and hate war with all my soul, but now it seems that the only way to peace is through victory—victory for which we will be forced to pay a fearful price—and so I am supporting the war with all my might, with my votes, my money, and my moral strength. I urge all true patriots, all who love our country to stand with me against profiteering, to force the hands of plunderers out of the Public Treasury, to see that our boys are supported and cared for as they face the foe on the bloody fields of France, so that we may win the war and save America and American liberties as a heritage for generations yet to come.

54393—18443

THE WAR CABINET
SECRETARY BAKER AND BIG BUSINESS

SPEECH

OF

HON. GEORGE HUDDLESTON
OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FEBRUARY 8, 1918



WASHINGTON
GOVERNMENT PRINTING OFFICE
1918

42761—18207

SPEECH
OF
HON. GEORGE HUDDLESTON.

The War Cabinet—Secretary Baker and Big Business.

Mr. HUDDLESTON. Mr. Speaker, we have reached, as it seems, the parting of the ways where those who are supporting the war out of idealism and love for democracy and those who are inspired by motives of base selfishness must separate. Hereafter, as it appears, these two groups will struggle against each other. The clash over the proposal for a war cabinet is merely one part of the conflict.

By the measure creating the war cabinet it is proposed to create a commission of three to have supreme powers in carrying on the war. This commission, while nominally subject to the President's authority, is, so far as the Constitution will permit, a three-headed dictatorship and will perform all the functions heretofore lodged in members of Cabinet and governmental bureaus. Members of Cabinet will hereafter perform only such duties as the war cabinet may direct, and are relieved of responsibility and discretion alike. The project is revolutionary. It uproots American traditions. It is an experiment on a dangerous scale, and would be justified only by an inconceivable emergency.

BIG BUSINESS BEHIND THE SCHEME.

In order to fairly appraise the value of the plan for a war cabinet we should examine as to the source from which the scheme comes and inquire who are back of it and what their motives are in presenting this extraordinary measure.

Highly significant is the following recent dispatch to the New York Times from its Washington correspondent:

A suggestion made to-day, which took the form of a prediction, was that the great captains of finance would be likely to make known before very long that the financial support they are giving the Government entitled them to express the hope that the President should bring into his inner councils some of the men in whom the people have supreme confidence. And in adopting this course, it was said, the President probably would be given to understand that he should waive aside political considerations and take men without regard to past or present party affiliations. That was the spirit of the country, it was asserted.

Students of public affairs see more clearly every day the rise and activities of a dangerous faction in our country. Every day it becomes more apparent that there is a small but powerful group of our citizens who are dissatisfied with old-fashioned Americanism and who long for a change in our national life and institutions, which would give new birth and security to effete ideals and caste systems which, having run their course in Europe, are now about to be there rejected and cast out.

This group is dissatisfied with America as the land of democracy, of equality, and of opportunity and would make it over

along the lines of their disordered dreams. As our soldiers go forth to battle against German imperialism and for the liberty of mankind this group would inaugurate an American imperialism which would take the place in exploitation and the suppression of self-government in the world which is so ardently coveted by the ruling class of Germany. As expressed in a recent issue of *The Public*:

Our masters of business enterprise would put up with many things for the winning of the war and the attainment of those aims that to them are identified with victory. * * * In their most dangerous form they appear to America's great financial and industrial leaders as a vision—a vision of America as the financial and industrial center and master of the world; of American industry standardized and integrated to the last degree, pushing over the world through great legalized combinations, supported by tariffs and subventions; of American finance reaching into the backward places and obtaining control of rich undeveloped natural resources for fiscal exploitations; of American bankers and American landlords taking toll of new continents now that the exploitation of this one no longer satisfies their craving for fresh risks, fresh masteries, fresh prizes worthy the enterprise of kings. As part of this vision they see an America drilled and regimented for efficient production—an America under the sway of scientific management, an America of workers responding to the patriotic stimuli of national pride and national honor, every immigrant "Americanized," every agitator silenced, every class difference smothered—by what? By the glamor of national prestige, by the cult of obedience, both to be fostered at a stroke by the institution of permanent compulsory universal military service. Great armaments as a visible sign of national power and prestige, equally potent to impress the malcontent at home, the competitor abroad.

That is what they would do—they would "Prussianize" America.

The group to which I refer is composed of the big financial, big business, and big industrial interests of the country. Of course, not every individual of those classes is in the conspiracy. The inner ruling circle is, no doubt, quite small, but it is the exception to find a widely influential member of those classes who is not in active sympathy with the movement.

Drunk with intense class consciousness and egoism, big business has its dreams of America as a modern and more terrible Rome holding distant lands and weak nations in tribute, claiming the best fruits from remote corners of the world and fattening a lordly patrician class worthy of the Augustan age. The dream is of a new golden age in which they and those of their class and those who think as they do shall enjoy the political, social, and financial supremacy of the whole world. This is their vision of America's destiny and of national glory.

Militarism, of course, though merely a detail of the appalling conception is a necessary detail. Vast fleets and armies are necessary to suppress competition from the plutocrats of other nations in the business of ravishing weak peoples and undeveloped lands. Without vast armaments there can be no adequate protection for investments in loans, mines, railroads, and other instrumentalities for the exploitation of unorganized peoples. They would have the mere utterance of "I am an American citizen" strike terror into the heart of anyone who might question his will. But militarism has other essential aspects for the imperialists, for through it they will suppress whatever home influences might rise to interfere with their purposes. By compulsory military service they will teach the masses to obey and to respect their masters. They will break

the spirit of the people. They will teach labor its proper place and make order and industry the supreme law and habit of the man who toils.

American imperialism is more irresponsible and deadly than the imperialism which curses Germany. The ruling class of Germany is in chief a nobility which has behind it traditions of birth, place, and achievement. But American imperialists know no such restraining influences. They have no spirit of noblesse oblige. They are merely the newly rich Wall Street gamblers, the taskmasters, and profiteers. Their only restraints are those of selfishness, egoism, and class instinct.

THE ANTIDEMOCRATS.

The organization of the antidemocratic group is widespread and efficient. It has its dependable representatives in every important community and has but to touch the wires to rouse them to intense activity. Usually the group works through financial institutions, business organizations, and subsidized newspapers, and when it gives the word the response is powerful and instantaneous—a fearful and dangerous machine.

Formerly reactionaries were able to work their will through campaign contributions, corruption, and similar practices; now it is done by controlling public opinion through influential and widely read newspapers, which, when the signal is given, take up the cry and crystallize public sentiment in whatever form is desired. These selfish interests have viewed with growing dissatisfaction the trend of affairs during the past dozen years. The people have been getting harder to control. There has been too much evidence of democratic spirit, too much idealism and brotherhood. They are displeased by the swing toward amelioration and the recognition of the rights of common men; they long for the former era of unrestrained combination, monopoly, and exploitation; they are determined to seize out of the present world crisis some means of ending such foolishness once and for all.

These men think well of themselves. That is the trouble. They look on themselves as patriots trying to save society, and that is why they become desperately dangerous. They would save democracy from itself. To them "making the world safe for democracy" means *making democracy safe for the world*. They think always in terms of caste and privilege. Their souls are shut to a true understanding of man's responsibility for his fellow man and only catch its meaning in the condescension of shaping the lives of others to the mold of their own desires.

The antidemocratic group sees no virtue in liberty for mankind which can not be translated into profits and sordid material things; they dream now of a glory for America to come out of the war, a glory of imperialism with far-flung provinces and dominion in the world's remote places; of marble palaces for the few and vast slums of cities for the many; of the rich and benevolent patron with a humble and hungry rabble at his gate.

To the antidemocratic group the war has its significance only in the opportunity for profiteering which may come afterwards. Even now they are selecting the fields of their endeavor—China,

Russia, South America. From a recent issue of one of their journals I clip the following:

China is the land of the future for world trade and commerce. There will be a struggle after the war to see who builds China's railroads, erects her manufactories, works her mines, and regulates her rivers—a struggle in which the cleverest nation will win, and the competition will be extremely sharp. It will not be waged by individual firms as of old, but by great combines of capital, like the American International Corporation. We must meet like with like, and the time has now come for the Government to confer with individual enterprise with a view to girding ourselves for the coming race.

With our entry into the war the rant of pretended loyalty of the antidemocratic group reached the height of absurdity. Never loyal to the President, its extravagant professions at such a time became deafening. Only a few months before it had denounced the President for his forbearance with Mexico. There was no cry of "Stand by the President" then, for his policy of peace ran counter to their interest. But they regarded our entrance into war with Germany as the golden opportunity for which they were longing. They did not accept at their face value the President's professions of democracy and interest in weak peoples and common men. They believed the President to be like themselves, a hypocrite, and so entered on the war as an orgy of greed and profiteering, and wanted victory as the prelude to world conquest and spoliation.

BIG BUSINESS WOULD TAKE CHARGE.

War having been declared the big business group threw itself with all its soul into an effort to take charge of carrying it on. It waved flags, marched in processions, and shouted itself hoarse. It denounced as traitors all who had previously hoped to avoid war. It sprang gladly to the task of suppressing freedom of opinion, speech, and press, to the advocacy of extreme and headlong military measures, and to the restriction of men's rights in every way. It financed and organized pretended patriotic societies, and sent its agents to every part of the country to enlist the membership of patriotic and unsuspecting citizens. With the support of wide membership the puppet officers of these organizations pressed their views upon the Government. Never before did private organizations so press their measures upon the public. The plain purpose of all this was to rush Congress and the administration off its feet, to dictate public opinion, and to control our war aims and after-the-war activities.

But after the first few weeks it was observed that the administration had not yielded. Members of big business gorging enormous fortunes from war contracts and profiteering began to take note between gulps that the administration showed signs of really trying to carry out the lofty purposes which the President had so finely expressed. Later it developed that the administration would earnestly oppose their schemes to plunder by wholesale the people and the Government. Prices on steel and metals were cut in half, profiteering in coal and food was curbed, and so from point to point the administration proceeded to thwart greed and avarice. The administration further disclosed so that no one might have any doubt a fixed and irrevocable purpose to war for humanity and not for imperialism and exploitation. The growling from selfish groups and their organs and parasites increased with each measure which blocked their efforts and their rage has now reached its climax.

The imperialists had sought to take advantage of the war situation to intimidate Mr. Baker into supporting their pet project for a permanent system of compulsory military service. They had underestimated his courage and democracy. His answer was a refusal to consider the scheme for perpetuation of war conditions, the very thing we are fighting to terminate. His adversaries considered that at last their opportunity had come. His refusal of their pet scheme of compulsory service was the last straw. They would destroy him and teach the administration who its real masters are. They would capitalize public interest in the war and out of distressed public opinion create a weapon with which to disembowel the administration by discrediting its chief war officer.

THE EFFICIENT MR. BAKER.

The militarists pressed for our entrance into the war long before we had cause to enter. "America should avenge Belgium and Serbia," they said. They had so much impressed Mr. Baker's predecessor with the need for preparation for war that he appeared about to yield in important details. However, the expensive propaganda which they had carried on for months through the newspapers in behalf of vast increases in armaments had not yet converted the people. The people were not ready for the measures proposed, so that out of the situation a vacancy in the office of Secretary of War arose. Into this vacancy by the President's command stepped a small and unassuming man, youthful, modest, and unimpressive—Newton D. Baker. His previous activities in his home city had irritated the profiteering class. He was too democratic. He believed in the people. He had belonged to a peace society—"Socialist" they called him, as they always do men who love real democracy.

The war party marked the new Secretary for its victim and raised its cry against him from time to time. It viewed him with profound distrust from the very beginning. It sought opportunities for his undoing, but no opportunities came.

Our entrance into the war laid a gigantic task on the Secretary of War—to raise, to bring into the field, and to equip a million and a half of men within eight months is a feat never before accomplished. Mr. Baker has performed it and performed it well. There have been mistakes; yes, many of them. There have been errors, of course. There has been unnecessary hardship and suffering, as there always is. Soldiers have been sent to camps when equipment and clothing were not ready for them. Our hospitals have been inadequate, and there has been preventable disease and death. But this is war, and war is always sorrow and suffering, desolation and death. The Secretary was compelled to deal with the existing organization; he was forced to rely upon others. His instrumentalities did not always function, and hence there were minor imperfections and defaults. But viewed as a whole, looked at in the big way, Mr. Baker has accomplished great work and is entitled to unstinted praise. His task was superhuman. He has performed it with extraordinary ability, devotion, and effectiveness. I dare assert that in all history no similar splendid performance is recorded, and that never has an executive done great work more effectively.

As stated in The Public of January 25:

The supreme sin of President Wilson and of Secretary Baker in the eyes of the American business community is that they actually desire a democratic and stable peace. On January 8 Mr. Wilson addressed a message to the world in which he included among the country's war aims a demand for "the removal of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace." That, in the eyes of the business community, was heresy of the rankest sort, and for the first time in its treatment of the President the metropolitan press broke into a chorus of alarmed disapprobation and warning. As for Secretary Baker, in his annual report he presented a strong recommendation against permanent universal training, on the ground that the country's future military policy should be determined by conditions existing after the signing of a peace treaty. In other words, Mr. Baker took our war aims seriously. He actually believes in them. It is now only too apparent that for the influential business community they were so much sentimental nonsense, serviceable only as catch words for the populace.

To-day Mr. Baker is bearing the brunt of the most powerful and virulent offensive launched in our generation against a public man. Mr. Wilson is the real target, and the attack will be transferred to him the moment the financial community becomes convinced that he is determined to adhere to the policies already declared.

Mr. Baker is human, and, of course, he has made his mistakes, but they have in the main been minor ones. He made a mistake when he excluded the Odd Fellows, Masons, and other fraternities from maintaining club rooms in camps on the same terms as the Y. M. C. A. and the Knights of Columbus. I was the first to go to him and complain of this mistake. He was big enough to correct it when he became convinced that he was wrong. Mr. Baker made a mistake in the creation of the advisory commission of the Counsel of National Defense, composed in chief of representatives of big business. I can see why he did this. He realized the need for cooperation from these powerful interests and he took them at their word for patriots. But now that it has been disclosed that many of them have taken outrageous advantage of the country he is correcting that mistake as well.

THE BOLT OF CRITICISM.

As the sons of the people were marshaled in the camps many American hearts were sorely distressed, many mothers' hearts ached with anxiety, and when the inevitable stories came home of deprivation, insufficient clothing, and disease public opinion was necessarily inflamed. The situation reached its crisis.

The stage was well set. New York, for publicity of its great newspapers and a sympathetic audience of the inner circle of the war party, with a spokesman who had the prestige of a chairman of a great committee of the Senate.

At one hand sat Root, the archleader of American reactionaries and at the other Roosevelt who has hounded the President in the press and had the affrontery to charge him with having betrayed the cause for which we are fighting. The occasion of the meeting was to do honor to men who had shown themselves most able and willing in promoting militarists' measures.

Then the bolt was launched: "Baker has failed. We must create new war executives; we must put the President with his silly ideas of democracy into his proper place; we will teach the administration a lesson."

And so with the Secretary of War chosen as the victim the bolt of criticism was thrown. Big business pulled the strings,

and its thousand hireling newspapers the land over, and its agents and clackers took up the cry for a war cabinet.

Mr. Speaker, this is the meaning of the situation. The past must be considered as well as the present to gather its true significance. We must view the situation as a whole in order to understand. The onslaught is the attack of the antidemocrats; of the selfish interests; of the un-Americans and their hirelings and parasites. And the object of the attack is democracy—American democracy—and our democratic war aims, and to reach this object they would destroy the reputation and prestige of our Secretary of War, discredit the administration, and reduce it to a subserviency.

The attack is ostensibly on Mr. Baker, but in reality the attack is on American ideals and the liberties of the world. Then it is for us who love democracy to defend; for us who cling to the old order of Americanism, to the principles of Washington and Jefferson and Lincoln, of American opportunity and equality; for us who would deliver to coming generations an America of justice and opportunity, pure and undefiled as we received it from our fathers.

The question is a greater one than Mr. Baker; greater than the prestige and authority of the administration. It is not a question of the moment or of policy; it is one of wide import and of principle. It is not a matter merely of whether we will submit temporarily to the dictation of an autocratic war commission, but whether big business or the people shall rule in America; whether our soldiers who fight for democracy and Americanism shall shed their blood in vain; whether we at home will allow to be betrayed the cause which they sustain on foreign battle fields.

The militarists' scheme has aborted. The war cabinet will not be created. Already the people are awakening; they understand the nature of the attack; they are demanding support for the Secretary of War and his liberal policies. The efforts of the reactionaries will be thwarted; their scheme will end in failure; they can not make an issue with the administration over piffling criticism of details. The hearts of the people have been wrung by the stories of the sufferings of our soldiers, but they know that Mr. Baker is able, courageous, and devoted and they trust him. They compare present conditions, though perfect they may not be, with the management of the Spanish War during which some of those who now criticize him were in positions of authority.

"WHY DO THE HEATHEN RAGE"

ADDRESS

OF

HON. GEORGE HUDDLESTON



**WASHINGTON
GOVERNMENT PRINTING OFFICE**

1918

62306—18602

ADDRESS
OF
HON. GEORGE HUDDLESTON.

Mr. HUDDLESTON. In his liberty-loan speech before the Philadelphia Five O'clock Club on April 7, 1918, Hon. William G. McAdoo, Secretary of the Treasury, said:

I think that a fair equipoise between taxation and bond issues is the proper way of financing this war. I do not believe, frankly, that we have that equipoise now. I do not think that we have applied taxation strongly enough. I think that the thinking men of America will realize later that a larger measure of taxation is not only necessary to finance this war, but it is the soundest thing that we can do for ourselves.

We are not going to effect the essential economies, we are not going to prevent the waste, which I think is one of the crowning sins of America's prodigality, unless taxation is applied more heavily. Of course, when taxation is applied heavily, man must economize. People must economize to-day, and it has a wholesome effect upon the body politic in a time like this when prices are mounting and when the great difficulty is to keep things within reasonable bounds.

PAYING FOR THE WAR.

It so happened that on March 30 and April 6 I had made short speeches in the House, in which I took the position that we were relying too much upon bond issues to pay for the war and that there should be increased taxes on incomes and profits. I urged this not only as a matter of justice to coming generations and the country's future, but as an economic necessity to curb inflation, with its attending extravagance and waste. I contended that America should give all its strength to pressing the war against Germany instead of devoting so much of its labor and materials to profit-making business.

I cited figures showing that many great industrial corporations in the United States are piling up millions from war profits and could well afford to pay greater taxes. I cited the case of the United States Steel Corporation, which in 1917, after paying all charges and taxes of every kind whatsoever, had made over 49 per cent on its common stock and showed that had it been located in Great Britain it would have paid

\$153,962,387 more than the tax levied upon it by our Government and still have left 18 per cent earnings on its common stock.

I call particular attention to the facts: First, Mr. McAdoo's speech was the same in substance as my own; second, it was made on the next day after my speech of April 6; *it was a liberty-loan speech and was made at the very outset of the third liberty-loan campaign.* He considered it an opportune time to advocate an increase in taxes. If Mr. McAdoo's speech was proper and timely, mine was also proper and timely.

But the reception which certain politicians in Birmingham gave to my utterances was quite different to that which was given Mr. McAdoo's speech by his Philadelphia audience. Mr. McAdoo was treated with respect, his views accepted as sound and patriotic, while I was deliberately lied on and charged with opposing the financial policy of the administration. On April 12, after Mr. McAdoo's speech on the 7th, the Age-Herald published a deliberately falsified report of my speech of the 6th. The report was given the false and libelous headline:

HUNDLESTON makes long tirade against bond issues by Government. Birmingham man in Congress delivered speech to audience of eight, in which he attacks entire financial policy of administration. Nothing suits this chronic critic of all war activity.

What I had to say was twisted out of all resemblance to my real speech.

This Age-Herald report was the signal for an attack on me at a "business men's" luncheon, in which a cut-and-dried resolution was adopted which charged that I had "arraigned the financial policy of the Government and had endeavored to put obstacles in the way of placing that loan"; that I had sought "to array labor against capital"; and declared that I was "not truly representing the loyal and patriotic citizens" of my district. The Age-Herald caricatured me as a Bolshevik, and the venomous editor of the News gloated over the resolution and filled a column with editorial abuse and lies. This was five days after Mr. McAdoo spoke in Philadelphia, taking substantially the same stand that I took in the House.

The attack on me was inspired by petty political motives. It was the fruit of a plot against me. There was neither truth

nor sincerity in it. I was charged with attacking the financial policy of the administration, when the truth is that I was defending that policy.

I have sent my speech on "Paying for the War" to my constituents. I challenge my critics to point to a word in it which does not breathe the highest patriotism. By reading that speech those who want the truth may see what I said.

I had subscribed liberally to all the liberty loans. In proportion to my means I had already subscribed more to the third liberty loan than any man at the luncheon. Few or none of them had read my speech, yet they were quick to condemn me. Others are permitted to discuss financing the war. Why may not I do so, especially since my views are in support of the financial policy of the administration? The real truth is that my enemies were over-anxious. They were looking for something to find fault with; they wanted to find an excuse for knifing me. They jumped too quick, and simply made fools of themselves.

TAXES OR BONDS.

In a speech in Chicago made by Frank A. Vanderlip, chairman of war savings, on May 5, he said:

Obviously there are just two ways of financing a war: Either work hard and save all we can for war purposes or let business and comforts go on in the usual way and have the Government borrow indiscriminately. I prefer the former method. The latter, for one thing, would mean wild and limitless inflation.

But, to clinch the matter, Mr. McAdoo, in his official capacity as Secretary of the Treasury, on May 8 wrote Senator SIMMONS, chairman of the Senate Committee on Finance, a letter upon the subject of war finances in which he urged an immediate increase of taxes and said:

Nothing is more imperative than new revenue legislation at this session of Congress.

Mr. McAdoo said that, not HUDDLESTON. Now let the News and Age-Herald call him a Socialist and charge him with fighting the administration.

Commenting on Mr. McAdoo's letter, Hon. CLAUDE KITCHIN, Democratic leader and chairman of the House Committee on Ways and Means, ^{Mr.} said: ^{10.}

If there is a bill, the fellows who are profiteering right and left on the war will feel it. The taxes on excess profits and incomes will be

raised so high that there will be little or no profiteering left in the hands of those who are now getting rich off the war.

And now President Wilson himself says that we must have a new revenue law. The President backs up his Secretary of the Treasury, and there can no longer be any honest doubt as to the administration's financial policy. Whether the bill is passed this summer or next fall, Mr. KITCHIN says that it will raise from three to four billions of additional revenue, and that 80 per cent of this increase will be taxes on incomes and profits. The profiteers are to be made to pay a rightful part of their immense gains. I cast into the teeth of my false critics the President's own words: "The profiteering that can not be got at by the restraints of conscience and love of country can be got at by taxation. There is such profiteering now, and the information with regard to it is available and indisputable."

So that it turns out that the ideas expressed in my speech outline the policy of the administration. Considered in this aspect, how diabolically false are the criticisms of the Age-Herald, News, and those for whom they speak!

The most ludicrous feature of the matter is the hypocritical attempt of the News to twist around into the attitude of supporting the administration's financial policy. Having denounced and misrepresented me for similar views, it now tries to pretend that it is standing by the President.

MY SPEECH WAS TIMELY.

But my critics say that my speech was made at the wrong time. Let us see. In the News of May 5 the editor, referring to my claim that profiteering corporations are inadequately taxed, says:

Originators of this drive ignore utterly, when they hold up the earnings of the United States Steel Corporation as an example of idle millions "unconscripted," that after those earnings are taxed corporation income taxes are imposed, and, in addition to that, individual incomes that mount into the millions.

The News believes that other millions should be exacted from the same sources, and several months ago repeatedly urged that Congress set to work to revise the Federal income-tax law so that the huge incomes should be taxed to the hurting point, if need be. The News was not alone in this insistence. Many of the great eastern newspapers joined their voices in the chorus. But Congress was silent. No effort was made at revision. Congress seemed satisfied to let well enough alone.

Passing by this editor's deliberate misrepresentation as to the 1917 earnings of the Steel Trust, which are shown by its financial statement to have been over 49 per cent on its common stock after paying all taxes, we find that the News "repeatedly urged that Congress set to work to revise the Federal income-tax law so that huge incomes should be taxed to the hurting point." Also that other newspapers did the same.

We have been floating liberty loans ever since last August. There has been no time when an argument for an increase in taxes could have been made more opportunely than recently, when the third liberty loan was being authorized. Mr McAdoo thought so. Indeed, the need for such increase grows with every hour. If it was patriotic for the News and other papers several months ago to urge increased taxes, surely it was proper for a Member of Congress, while raising money to carry on the war was under consideration, to present the same point of view.

ARRAYING LABOR AGAINST CAPITAL.

My critics falsely charged me with having tried to set labor against capital. There is not a word of truth in it. I have at all times used my influence with labor for industrial peace. I have not asked labor to make an abject surrender, but have always counseled peace and the patriotic consideration of labor differences. This was true as to the mining troubles last summer. I went to Birmingham to get in touch with the situation. I conferred with the miners and with Secretary of Labor Wilson. The operators ignored me, but the miners felt that I was a friend. I urged a peaceful settlement, and subsequently labored for months until a settlement was finally made under the Garfield agreement. I helped to smooth the situation by assuring the miners during the threatening days of February that Dr. Garfield would see that justice was done.

What do they mean by the charge that I have set labor against capital? Not that I have encouraged labor troubles; not that I have advised strikes, for this can not be said. Do they mean that I have set labor against capital by exposing the profiteering of the great corporations? Am I not permitted to tell the truth as to the immense profits that are being made; to show that both the Government and the people are being

robbed? Am I not allowed to point to the millions of profits which the Government might tax to pay for the war? They ask too much who demand that I be silent. Duty requires that the patriot should speak, and if as a result the profiteer is put in a bad light, that is a matter for him to correct. I will continue to point at those who would sacrifice America for the sake of private gain. Let them understand that.

No; the criticism of me was fraudulent and insincere. It is Prussianism in politics, the might of lies that would beat down justice and truth. The representation as to my views was false; the criticism based thereon was false; the spirit behind it all was malicious and contemptible.

"WHY DO THE HEATHEN RAGE AND THE PEOPLE IMAGINE A VAIN THING?"

It is clear to every honest man that the charge that I was fighting the administration's financial policy is false. It is clear that the News, Age-Herald, and the selfish interests behind them misrepresented me and that their efforts to represent me as antagonizing the administration was malicious and deceitful; but this was to have been expected from them. They have pursued that policy from the very beginning.

The selfish interests were dissatisfied with my first election. They had already called me socialist, even as only a few days ago at the Nation's Capitol spokesmen for selfish interests called Secretary Baker and other officers surrounding the President socialists. Such critics would call the President himself a socialist if they dared. "Socialist" with them means real Democrat—anyone who is interested in the whole people and not merely the upper crust.

Previous to my election to Congress I had served as alderman in Birmingham and had found myself in opposition to the old city hall crowd. I had opposed the Tidewater franchise, had antagonized the street car company, and, generally speaking, had shown myself unwilling "to listen to reason" from the gangster's standpoint. I did my part in forming public opinion which forced the old crowd out of office and put in the commission form of government. I won for myself the ill will of the gangsters and of the Age-Herald, always their organ.

Subsequently I was chairman of the committee having charge of the fight on the 10-year lighting contract, which was turned down by an overwhelming vote. Later on I took active part in the referendum on the water contract, and for two or three years carried on an agitation and litigation against the smoke nuisance from the Sloss coke ovens and to move the slag pile out of Second Avenue, so that the eastern end of our city might be more accessible and fit to live in. In these activities for the public welfare I had no selfish purpose in view, and when they ended dismissed them from my mind. But in their course I had offended selfish interests; I interfered with profits which might have been made; I gained the lasting enmity of a small but powerful faction which is opposing me even to this time.

The News and Age-Herald, mindful always of the will of the selfish forces back of them, ignored me after my election. They were crouching for a spring. With almost my first vote in Congress they launched themselves upon me. I voted against the adoption of the rules of the previous Congress. I wanted amendments. No caucus had been held; it was not a party question. The matter was unimportant. The rules have since been amended. Yet the papers sprang upon me as though I had committed a mortal offense. They rung the changes. I had destroyed myself they said. No Member took any notice of my vote, but at home it was made the sensation of the hour by the false criticism of these papers. At once they proceeded feverishly to build opposition upon it. Opponents came out with a flourish. The papers gave them free space. They criticized me for party irregularity, and so forth, but later I published a letter from the Democratic leader exposing the thing and the campaign against me collapsed. My enemies had overreached themselves. They were too eager.

But the matter did not end with the primary election, although I was nominated by an unprecedented majority. The News and Age-Herald continued to pursue me. Though charging me with party irregularity, they tried to drum up a Republican opponent against me and gave free space and editorial mention to various Republicans. Their conduct was so scandalous that the county Democratic executive committee took notice of it and only failed

by a tie vote to pass a resolution censuring them. Having finally succeeded in getting a Republican candidate out against me, these papers gave me no support. Nevertheless, I received 600 votes more than Mr. Wilson himself. But I did not get the votes of the faction that are now loud in criticising me. They vote for Democrats only when it suits them to do so. The truth is that we have got an element of industrial and business men in our district who are not Democrats at all. They belong to the selfish interests and to invisible government. This faction is not for me now, never has been, and never will be for me. To be frank, I do not want them.

"THE KINGS OF THE EARTH SET THEMSELVES."

When I first took my seat in Congress the Age-Herald sent a correspondent to Washington who wildly imagined that he was fit material for Congress. He aspired to succeed me. He sought from the first to disparage and belittle me, to assassinate me with innuendoes and false criticism. He has kept up this scurrilous work to this time. The News has backed up the mendacity of the Age-Herald with misleading criticism. I have ignored these deceitful critics. I have tried to win them by fidelity and conscientious service, but such as they are not to be reached by such means. I have been long-suffering and kind. Now I point the finger of scorn in their faces and hold them up to the execration of honest men as false talebearers. They have sought by every dishonest means to excite the people to hate and distrust me. If they could bring it about by artful lying, they would have me hooted and stoned by my own people, whom I am trying so hard to serve.

The News redoubled its efforts against me in March, 1917. I voted for the armed neutrality bill, but the News was clamoring for war, and suspected that I was not anxious for it. It circulated a petition to give me instructions; a petition harmless in itself but wickedly designed by the News to club me into submission to its dictation. The News was then trying to make it appear that I was opposing the President. The deceitful purpose of the News at that time was to destroy me politically. It then started the campaign that it carried on all last summer and is now pressing with such malice.

The News even criticizes me as not being happy in voting for the war. I voted for war. I did so because I thought the honor and dignity of my country was at stake. I hated to vote for it, for I knew the awful consequences which must come. I pictured the sorrow and the suffering, the millions of desolate homes, and the cries of orphans and the tears of widows and mothers. God knows I would have put the war aside had my conscience not demanded otherwise. I did not go swaggering into the war, too stupid to see the consequences which must follow or too hard of heart not to grieve for them. I had considered the subject long and prayerfully. I hated to send my country into this awful war. I would gladly have given my life to have kept America out of the awful struggle.

And now that we are in the war, I have bent all my efforts to winning it. Every word I have said, every thought of my mind, every beat of my heart has been for the success of American arms.

"STAND BY THE PRESIDENT,"

We have heard much during the past two years of "Stand by the President." Too frequently the slogan has been the cloak of hypocrisy. All too often the cry has come not from real friends of the President's policies but from those who are seeking a selfish advantage. It has too frequently come from politicians and selfish interests when they could twist the position of the administration to their own advantage or thought that the administration's attitude would promote their own private interests.

Among those who have made a fraudulent use of the administration's prestige are selfish persons who stand by the President when it suits their own interests, but who do not hesitate to betray him on other occasions. This has been true of much of the controlled press of the country, and particularly true of the News and Age-Herald. The latter during the last national campaign did not hesitate to detract from the President and to discourage his real friends. Its editor filled his paper with anti-Wilson dope and was quick to announce that Hughes had been elected before pivotal States had been heard from. It was true to form, for it has never been a Democratic newspaper in truth. It has spoken for the Steel Trust and other selfish interests, the

owners of which never pretended to be Democrats. It has been at its heart Republican, sailing under Democratic colors.

The News, which aspires to be regarded as the President's mouthpiece, is wholly out of harmony with his truly Democratic views. It has not hesitated to sink the knife deep into his policies when it could safely do so. One notable instance is the News's attack on the policy of the Fuel Administration. When the coal-saving order was sent out last winter the News was loud in its protests. The pockets of interests that the News was sponsor for were touched, and it did not hesitate to make a vicious attack. In doing so the News spoke for the same selfish faction that is opposing me. This faction, never sincerely supporting the President, now has the brassy gall to attempt to justify opposing me because I did not support the administration's policy on conscription of soldiers.

I have been disgusted by the loud-mouthed hypocrites who have been hanging to the President's coat tails seeking to benefit themselves by the President's popularity. I have been disgusted by shameless demagogues trying to get public favor by shouting for the President. But I have not antagonized the President's policies. I have supported them in nearly every particular. There have been a few instances where I was compelled by conscience to hold to my own views, but wherever it was not a case of vital principle I have bowed to the wishes of the administration.

Since Congress convened in April, 1917, and declared war against Germany, 105 war measures have been passed. Practically all of these were measures recommended by some officer of the administration. I voted for all of these measures except four—the conscription bill, the explosives bill, the espionage act, and the recent bill to change conscription quotas. Never have I spoken a word of criticism against the President or any Cabinet member. To the contrary, I have defended them whenever the occasion offered.

The impression has been carefully fostered by my political enemies that I have opposed the President's wishes. They have sought to create this impression not by direct statement but by lying insinuations. They have tried to make me out as

opposed to the administration. Now, then, I challenge my critics to specific statements. I have voted for every bond issue, for the revenue bill, for every appropriation bill, and to provide every soldier, ship, and dollar which might be required to carry on the war. I voted against the McLemore resolution and for the armed-neutrality bill. What more would my critics have?

The News and Age-Herald have done their best to create the impression that I have opposed the administration. They have asserted it generally. They have garbled my speeches. They have criticized me and misrepresented me. They have bush-whacked me in an effort to create that false impression. All of it has been done with the definite purpose to oust me from Congress so that they may put one of their tools in my place. They want the ninth district represented either by a capitalist or by some soft tool who can be bent to their will. To this end they have used their efforts and their false criticism from the moment of my first election.

THEY ARE BETRAYING THE PRESIDENT.

I charge that the Birmingham dailies who have the shameless effrontery to criticize me as opposing the administration are not themselves giving the President their loyal support, neither they nor the faction for whom they speak. To the contrary, they are pressing policies which are embarrassing to the President and which make his task more difficult.

They are pressing for compulsory military service, not for war times but as a permanent thing for times of peace. Each of the dailies has repeatedly advocated universal military service and pressed that we should now enact laws establishing such a system as a permanent thing. This same feature of militarism is being pressed by the President's enemies the country over. It is a club with which they are striking Secretary of War Baker, who has refused to approve the measure or to consider it while the war is on. By pressing for universal military service now the Birmingham dailies are aiding the President's enemies; they are abetting the attacks on his Secretary of War. They are weakening Mr. Baker's influence and making the performance of his duties more difficult.

But this is not all. By pressing for permanent compulsory service now this faction is injecting into the present difficult political situation a question which will divide the people and cause sharp controversy. Agitation upon the subject at this time tends to disrupt American solidarity and make us less able to carry on the war.

The Birmingham dailies have been glad to give space to attacks on various departments, on Secretary of War Baker, Secretary of Labor Wilson, and various administrative bureaus. Any blatherskite in or out of public life can find space in their columns for some criticism of the Fuel Administration, Food Administration, the aeroplane production, or any other thing that would tend to discredit the administration. Recently these dailies gave big space to an attack by a disgruntled politician, in which he charged that the President had surrounded himself with a bunch of socialists and other irresponsibles.

The Birmingham dailies are opposing the President's wise and humane labor policies; not openly, of course, but, after their custom, by innuendo and implication. They are pointing the finger of suspicion at men who work with their hands and are full of charges of lack of patriotism in labor circles.

This talk is in the main false and deceitful. There is less labor trouble in the United States to-day than at any time in 25 years; less trouble in proportion to the number of workers than in any country engaged in the war. This is a fact, but you can not get it from the press. You must go to the records of the Department of Labor. Whenever there is labor trouble in our district the dailies give free space to employers who wish to denounce their employes as hoodlums, Bolsheviks, anarchists, or whatnot. The workers get scant publicity for their side.

This again is a most unpatriotic attitude on the part of the Birmingham dailies. It tends to provoke, not to suppress, labor troubles. It makes working men resentful to be abused and misrepresented. When differences arise between workers and their employers they are to be settled by mutual concessions. No permanent settlement can be made where an unjust sur-

render is demanded of the employee. Constant nagging at the working men, of which our dailies have been guilty, constant suppression of arguments on their side, constant misrepresentation and abuse, all this tends to disrupt the solidarity of our people and to make us less able to carry on the war.

The Birmingham dailies are further embarrassing the President by pressing for extreme measures in regard to the war. They will not leave the President to decide. They cooperate with Roosevelt and the President's enemies so as to embarrass him. They advocate extreme measures of diplomacy and war policy. They talk "unconditional surrender" and "Germany must be destroyed." They speak of new nations to be carved out of Germany and Austria, changes of boundary lines, and idly press for dozens of things which cause the enemy to stand together more strongly and to resist us more violently. From the first I have insisted on leaving these matters to the President, where they rightfully belong. As Commander in Chief he should decide on what soldiers and ships we need. I stand ready to give them to him.

Charged with the power of negotiating treaties, it is for the President to say what our terms of peace shall be. I have left all that to him and have not so much as expressed an opinion upon the subject. I have kept my opinions to myself. I have wanted the President to have a free hand and have been willing to support him. The President wants peace and so does every sensible citizen. We want it upon terms consistent with American dignity and honor and with the future security of the Republic. I am willing to trust the President to deal with these things. Those who press for this or that and try to usurp the President's functions need to learn more of patriotism.

ISSUES OF THE CAMPAIGN.

The American Congress has adopted conscription of soldiers as our policy for this war. That is no longer an issue, and discussion of it is useless. I acted on this question when it was presented to me according to my best judgment and conscience and have no apology to make. I have at all times and on every occasion urged that the conscription laws should be obeyed. I have bowed to the will of the majority of Congress.

CONSCRIPTION OF LABOR.

But Congress has not adopted the conscription of labor as a policy. This is a live issue in the present campaign. My critics, through their spokesman, have advocated it. Their conscripted candidate against me must stand upon that platform. I shall not vote for the conscription of labor to earn dividends for the great corporations. If a citizen is to be conscripted, his service must be for the Government, not for any private exploiter of labor. I will not vote to conscript human beings and leave property free to earn profits for its owners. The secretary of the American Federation of Labor recently said:

We oppose the conscription of labor unless wealth is likewise conscripted. The claim that labor should be conscripted on the same theory that the country drafts its citizens for military purposes is not a correct comparison. The Government conscripts its citizens for service; the employer would conscript labor for exploitation. No one can deny the Government's right to draft any citizen for any purpose it sees fit when the Nation's life is in jeopardy. The dollar should at least be forced to surrender its per cent of rights, just as labor would be called upon to surrender its right of freedom.

We notify these employers and their spokesmen in the United States Senate that they can not use the war to establish principles of peonage that they long for when the days of peace return; while they insist on interest and on the establishment of depreciation funds, so that when the war ends it will be found that they have not only maintained well rounded profits during this period of stress but that the people have paid for the equipment to make these profits.

This sounds like good sense and sound patriotism to me.

CONSCRIPTION AFTER THE WAR.

The faction opposing me also demand compulsory military service for times of peace. They demand that we shall now establish a compulsory military system as a permanent thing. Their conscripted candidate must stand on this platform. I shall not stand with him. We are fighting a war which requires every ounce of our strength. Our future military policy should be left for consideration after the war is over. We are fighting for peace; we are hoping by victory to make peace secure in the world and to render vast armies and navies unnecessary in the future. If we win, and win we must, peace will be made safe and conscription unnecessary. It would be a betrayal of our brave soldiers if when they come back from the war they find that the yoke of forced military service has been riveted on the necks of the people. I will not take part

in such riveting. Those who favor it should support my "conscripted" opponent.

TAX THE PROFITEERS.

Another issue in my campaign is whether we are to tax the profiteers or to let them escape with their booty. My critics have denounced me for advocating taking a large share of war profits to pay war expenses. They have quarreled with me for advocating increased taxation. They have taken the position that profiteers are now paying enough and there should be no increase in taxes. Their conscripted candidate must stand on that plank also. I warn them that I stand with President Wilson in holding that no man has the right to grow rich out of this war. I shall favor levying such taxes as will take such ill-gotten riches for war expenses. I am willing within reasonable limits to leave the profiteers incomes comparable to what they received in times of peace, but I will not allow them to pile up their millions out of the misery and suffering of our people.

Upon these live issues I ask the support of patriotic citizens.

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THE CRIME *of the* PROFITEERS

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

JULY 3, 1918



WASHINGTON
1918

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SPEECH

OF

HON. GEORGE HUDDLESTON.

The Crime of the Profiteers.

Mr. HUDDLESTON. Mr. Speaker, in his recent address to Congress, in which he urged that heavy taxes be laid upon profiteers, the President of the United States said:

The profiteering that can not be got at by the restraints of conscience and love of country can be got at by taxation. There is such profiteering now, and the information with regard to it is available and indisputable.

The President's charge that avaricious persons are growing rich out of the war and taking advantage of the Nation's peril to exact extortionate profits from our Government and its people was received in surprise by many of our citizens who had not investigated the subject. The profiteers have been diligent in their efforts to conceal their rapacity. They have usually wrapped themselves in the American flag and boasted loudly of their patriotism. They have been loud in lip service and have been prominent in the dailies in connection with war work. They have pretended to be the most active supporters of our Government and, though wholly selfish themselves, have been most diligent in criticizing others for lack of patriotism.

But while these base creatures have deceived a large part of our people, there have been ample evidences for months of the nefarious work in which they are engaged. As early as July, 1917, I called the attention of the House to the enormous profits being amassed by the Aluminum Trust.

PATRIOTS AND PROFITEERS.

On December 7 last, in my speech, which I distributed under the title of "Patriots and Profiteers," I said:

"Many of our great captains of industry have been loud in lip service, but it would seem that in their hearts they have scarcely realized the awful undertaking to which our country is committed. They have continued to think in terms of profits. They have acted on the precept 'Business as usual.' They have taken advantage of the Nation's peril to profiteer, to exact from Government and people alike extortionate profits on war material and on the necessities of life. They have given themselves to a wild orgy of greed and exploitation such as the world never saw before."

I also said:

"It was recently stated that it costs the United States more than ten times as much as Germany for each soldier maintained in the field. In other words, for every dollar that Germany spends on one of her soldiers the United States spends \$10. This shocking difference is occasioned in a large measure by the extortionate prices exacted from our Government for war ma-

terial and supplies. The difference is due only in a slight degree to the better pay and better equipment of American soldiers. Our Government is being overcharged all along the line for the things required for war. The worst offenders are the metal producers and manufacturers of war material. It is established beyond doubt that in many cases the Government is being required to pay enormous profits, sometimes reaching 100 per cent and yielding annual dividends to profiteers of 100 per cent, 500 per cent, and 1,000 per cent on their investments. Such a situation is a threat to the financial strength of our country and must be abated without delay.

"Not only is extortion being practiced on our Government but the people of the country are being bled white by profiteers taking advantage of the world-war situation. Producers of great basic commodities, metals, and manufacturers have arbitrarily jacked up their prices. Pig iron, which three years ago in my home city, Birmingham, was selling for \$9.50 a ton, was increased to above \$50 a ton until recently reduced by governmental order to \$33. This is merely an illustration. Coal, copper, and many other commodities were dealt with in the same way. The prices were increased not because of an increase in cost of production but merely because the profiteers could 'get the money.' They charged all the traffic would bear and gave labor as small a share of the increase as it could be made content with. The arbitrary increase in the price of the great basic commodities soon reacted upon all other prices, and they began to soar, with the result that the cost of living has become almost unbearable. Necessaries of life are rapidly going beyond the reach of the people, and the poor man's dollar has less purchasing power than ever before in the history of our country.

"The situation in its aspect both toward Government and people is most dangerous. It must be corrected at once if we are to carry on efficient war. Should it remain unchecked our country's financial strength will be speedily sapped and the patience and the patriotism of the people ground out of them in the struggle against extortion and high prices for food and clothing. The Government must enter upon a thorough-going process of price fixing. Prices of commodities must be arbitrarily forced down, even as they have been arbitrarily forced up. Only in this way can a reasonable relation and equilibrium between prewar conditions, values when normal conditions have again been restored, and the present war situation be maintained."

And, again:

"As a matter of principle as well as of good public policy we should not require all the sacrifices war entails to be made by our soldiers and their dear ones left behind. We should also require the corpulent Knight of the Swivel Chair to make his sacrifices. While our soldiers shed their blood he should shed his profits for our Nation's preservation. No man should be allowed to come out of this war richer than he went into it. We should see to that by proper price fixing and the levy of income taxes. It would be a shame if at the end of the war, when our soldiers come back to us, we should be compelled to confess that while they were fighting and shedding their blood for us we permitted their loved ones to be sweated and overcharged for

food and clothes, and greedy profiteers to practice extortion upon the Government, and thereby create a grievous public debt to burden the shoulders of many generations of their descendants."

In the same speech I advocated heavier taxes upon profits, and in that connection said:

"A thoroughgoing system of profits taxation which will absorb practically all profits in excess of legal interest will act as a salutary curb upon business and industrial activities. Unnecessary businesses will be eliminated, so that our commercial and industrial activities may be centered upon war production. It will tend to organize this country upon a war basis and greatly simplify the situation. It will release labor and transportation for military use and make our Nation more efficient for war. It will at the same time have effect to reduce prices of the necessities of life, so as to free our people from a pressure which is rapidly becoming unbearable."

Recently I exposed upon the floor of the House the immense profits made during 1917 by the Steel Trust and showed that according to its own admission, after making all deductions for taxes, replacements, and other items charged off and paying 7 per cent on its preferred stock and the interest on its bonded indebtedness, this corporation made for 1917 alone net profits of 49 per cent upon its common stock.

Of course, my exposure of the profiteers gained for me the bitter hatred of the guilty and their parasites. They set their newspapers on me and have hounded me with criticism, fault finding, and misrepresentation to the point of persecution. The exposure of one of these plunderers is taken as a personal affront by all of his kind. They seem to belong to a sort of "plunder band," each with one hand in the public pocket and ready to smite with the other anyone who may dare to criticize any member of the gang. Being incapable of patriotism themselves, their first play is, of course, to charge a lack of it to others. It is of such as they that Dr. Johnson said, "Patriotism is the last refuge of the scoundrel."

REPORT OF FEDERAL TRADE COMMISSION.

In support of the President's charge against the profiteers we now have the report of the Federal Trade Commission, dated June 29, 1918, which is a shocking revelation of the avarice of the profiteers. The report covers in chief the great basic products of mining and industry, the commodities upon which practically all other prices are based. I will not attempt more than a hasty analysis of the report.

STEEL.

The Steel Trust made 24.9 per cent in 1917 upon the total amount invested in its business as against 4.7 per cent in 1912, 5.7 per cent in 1913, and 2.8 per cent in 1914. Even these enormous figures are small in comparison with the profits of Follansbee Bros. Co., 112.48 per cent; West Leechburg Steel Co., 109.05 per cent; West Penn Steel Co., 159.01 per cent; and dwindle into modesty as compared with the profits of Nagle Steel Co., which reach the murderous figure of 319.67 per cent.

COPPER, NICKEL, AND ZINC.

The average profits of 21 leading copper companies were found by the commission to average 24.4 per cent. Some of the con-

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cerns earned as high as 107 per cent on their investments. These figures show profits left after paying all Federal taxes and show the net amounts applied to dividends.

The New Jersey Zinc Co., which has a practical monopoly of zinc production, shows 95.9 per cent profits.

The International Nickel Co., which also has a monopoly, made 30 per cent on its investment.

SULPHUR.

Two corporations together enjoy a practical monopoly in sulphur production. They made for 11 months, ending October 31 last, 236 per cent on their investments. It costs about \$6 per ton to produce sulphur. These concerns charged from \$18 to \$35 per ton for their product.

LUMBER.

The lumber industry has been comparatively lenient. On an average the mills made net profits of 20 per cent during 1917, though some mills ran up to 121 per cent. The average for 1916 was 5.2 per cent.

COAL.

Coal producers seem to have been guilty of the most shameless profiteering of all, not that their profits were greater than other profiteers but because they dealt in a necessary of life—coal—which must be used by rich and poor alike, so that much of their extortion was practiced upon the poor and oppressed. The soft-coal producers of central Pennsylvania in 1916 made an average profit of only 20 cents per ton. In 1917 their profit was 90 cents per ton. Coal producers in the Middle States made 54 cents per ton profit as against 10 to 15 cents for the prewar period. So that the commission's report shows that coal operators had increased their profits from 300 to 500 per cent. The commission's investigation did not extend to the Alabama fields, so that I have no accurate information as to the profits made.

OIL AND GASOLINE.

The war emergency has given a golden opportunity to Standard Oil and its subsidiaries. They have earned from 24 to 63 per cent upon their investments.

MEAT AND LEATHER.

The big packers have proven themselves the robbers that they were believed to be. The big four—Armour, Swift, Morris, and Cudahy—had averaged prewar profits—1912, 1913, and 1914—of \$19,000,000; in 1917 they earned \$86,000,000. They did well in 1915 and 1916 for their profits for the last three years have reached \$142,000,000. Morris & Co. for 1917 earned 263.7 per cent on capital stock. Armour in 1916 increased its capital stock from \$20,000,000 to \$100,000,000, not a dollar of new money being paid for the new stock.

The packers are also interested directly and indirectly in the hide and leather business. A tremendous advance in prices of leather was made in 1917 and enormous profits realized. The Eastern Leather Co. paid 53 per cent dividends on its common stock after transferring 10 per cent to its surplus. The people paid this when they bought their shoes.

FLOUR AND MILK.

Flour millers increased their profits during 1917, 400 per cent, but the increase was distributed so that only a little was paid

by each individual. Millers had been content with an average of 13 cents per barrel profit, but with the war they increased their average to 52 cents a barrel and paid profits of 38 per cent on their investments.

The canned-milk business is monopolized by a few concerns. One of these made 65 per cent on its investments and the others something less. Even little babies depending for nourishment upon a can of condensed milk are required to yield something to the war profiteers.

THEY BETRAY OUR SOLDIERS.

I can not take time to further notice the details of the commission's report. It is a sickening situation. The Nation is confronted with a powerful and unscrupulous adversary. Engaged in a stupendous war, it is sending its soldiers across the seas to fight the battles of mankind. Our brave soldiers are pouring out their lifeblood upon the battle fields of France and performing deeds of deathless heroism. Our armies are winning imperishable glory for American arms. Over the seas they are showing all that is splendid, magnanimous, and fine in our civilization, and here at home millions of patriotic citizens are watching and praying for the winning of the war. In millions of American homes the anxious mother prays for the absent son and feels a holy and solemn pride in his sacrifice, and humble citizens toil through the long hours that our country may be saved. Patriots are denying themselves of food and clothes so as to give their strength and substance to our armies. Yet into this awful and sacred situation slinks the gholish profiteer, who would turn his country's extremity to his own advantage.

The winning of the war is the chief and almost only concern of every good citizen; yet, and I say it with all deliberation, the greatest obstacle to American success are the men who are seeking to make fortunes in war profits.

As was said in a recent article in the Washington Star:

War profiteering on a large or small scale is in its effect disloyalty to the United States. It weakens the resources of the people, laying upon them a burden they should not be compelled to bear, and causing them to feel aggrieved and resentful. It weakens the war energies of the Nation. It should be punished as severely as the seditious speech of individuals and the treasonable acts of those hostile to our cause.

But to add insult to the grievous injury he is doing, the profiteer is not content merely to pocket his ill-gotten gains. Swollen with insolence and egotism, he seeks to dominate the life of the community. He gives of his spoils to war charities enough to make himself respectable to his own dull conscience and to that of others of his class and then seizes, if possible, some conspicuous position in connection with war work and assumes to be an authority on public duty. He hectors labor, bullies the timid, and "strong arms" such modest citizens as he can intimidate, and woe be to all those who may expose him or seek to tax the proceeds of his extortion. He affects to be an expert in patriotism. He stands with his right hand in the public pocket and with his left hand flings mud at anybody interfering with his game.

TAX THE PROFITEERS.

We must tax the profiteers, tax their ill-gotten millions out of their pockets and into the Public Treasury—tax them until

they no longer find advantage in grinding the life out of the people by extortionate prices. The public welfare demands an end to profiteering and that it be ended now.

The profiteers through their press have tried to make it appear that Congress is unwilling to heed the President's wishes to increase taxes on profits. They have pictured Congress as slothful and indifferent. They deride Congressmen as politicians and as being chiefly concerned with reelection. They say that we want to go home for the primaries. I deny their charges. Speaking for myself and, I believe, a vast majority of Members, I am willing that Congress remain in session all summer if required in order to pass a proper tax measure. I am willing to stay on in Washington clear through the dog days if need be to do something to curb the rapacity of the unpatriotic but powerful few.

I am rejoiced that the President has shown his spirit in this matter. The hypocrites who were loudest in shouting "Stand by the President" are now silent or are trying to intimidate their Representatives into opposing heavier taxes. I warn these creatures that I do not look upon war as calling for sacrifices only from our soldiers. It calls for sacrifice from every citizen. No man has the right to come out of this war richer than he went into it. Profiteers should be held up to execration. They are public enemies and unworthy of the respect of honest men.

69897—18753

HELP FOR DISCHARGED SOLDIERS.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

January 2, 1919.

Mr. HUDDLESTON. Mr. Chairman, I address myself to the two propositions pending before Congress having for their purpose doing something to alleviate the condition of discharged soldiers. I regard those measures as being wholly inadequate, outrageously inadequate, and I feel that the attention of the House and the country ought to be called to them. One of the measures has already been reported favorably to the House by the Committee on Military Affairs and is now awaiting action. The other is found in a Senate amendment to the revenue bill. The substance of each of them is to give to the men who are discharged a niggardly one month's pay as a gratuity, as a reward for the services which they have performed.

The war is over. We must now turn our attention from the problems of war to those of peace and reconstruction. The problem of war was simple; it was merely how to exert the greatest possible force. The problems of peace and reconstruction are complex and so difficult that they challenge the highest statesmanship.

It is now upon us to consider how we may restore our country and make good its awful losses in spiritual and economic values, in human life and suffering, and in lowered standards of liberty, freedom of speech, and action.

The first and most pressing need is to take care of our discharged soldiers; to restore them to civilian employment, and to make good, in some small way, the financial injury which they have sustained. It is now nearly 60 days since the armistice was signed; 4,000,000 men are to be returned to civil life; already over 500,000 have been discharged; yet no adequate plans to care for them have been brought forward. Statesmanship seems indifferent. Amazing as it may seem, these discharged soldiers are being sent to their homes penniless and with no provision for their future welfare. Something must be done at once.

Such measures as have been proposed are pitifully inadequate. The War Department seems content with a proposal to give each discharged soldier a month's pay. This proposal comes first to the House in a Senate rider amendment to the revenue bill, as follows:

That all officers and enlisted personnel of the Army, Navy, and Marine Corps serving the United States in the war against Germany who have been honorably discharged from the service since November 11, 1918, or who may hereafter be honorably discharged, shall be paid one month's salary in addition to the regular pay heretofore authorized."

The revenue bill including that amendment has been submitted to the committee on conference between the two bodies, and I venture the prediction that it will not become a law inside of 30 days, perhaps for 60 days, and there are Mem-

bers who have regretfully come to the conclusion it may not become a law at all. While it is being considered by the conference committee, unless in the meantime the House shall pass some measure for the relief of the soldiers, they will be sent back home with nothing in their pockets except their little final pay, not enough to buy a second-hand suit of civilian clothes—back home to the old folks jobless, having made a great sacrifice for their country. In spite of this situation, this danger that the American people may show themselves unappreciative in such an emergency, to this time we, the Representatives of the people in Congress, have done nothing and will do nothing unless we act on this bill.

The subject also comes up in the House in H. R. 13247, a bill favorably reported by the Committee on Military Affairs, in which it is proposed—

That every officer, Army field clerk, member of the Army Nurse Corps, and enlisted man who was serving in the Army of the United States on November 11, 1918, shall be paid a gratuity equal to one month's pay at the rate which his grade and length of service on that date entitled him. Payment of this gratuity shall be made to officers, field clerks, members of the Army Nurse Corps, and enlisted men of the Regular Army as soon after the approval of this act as practicable, and to all others entitled to it upon their honorable discharge.

Mr. LAZARO. Does not the gentleman believe the trouble is we are trying to legislate to-day by riders?

Mr. HUDDLESTON. I think that is a serious trouble. But I will say this—that by rider or otherwise immediate action should be taken; and if it can only be had by the rider, let us have the rider.

Mr. LAZARO. Does not the gentleman think we will gain time by considering these different propositions on their merits and should put the revenue bill through on its merits?

Mr. HUDDLESTON. I do not know, but it is better to do it by a rider than not at all.

The committee's report shows that this bill was sent down from the War Department—presumably it came from the General Staff, for true to precedent it is liberal toward the officer class and niggardly toward the enlisted man. It gives to each officer and soldier a gratuity of one month's pay, which runs down the scale from the general, who would receive \$833, to the humble private in the ranks, who will receive only \$30. That ornament to Washington society, the swivel-chair major, will get \$250, while the worn private who bared his breast in the Argonne will not get enough out of the bill to buy him a suit of civilian clothes. Among officers there is not only discrimination on account of rank but on the basis of "grade and length of service." There is discrimination among enlisted men based upon each petty stripe and step in the service. Officers and men who were overseas when the armistice was signed, although they never saw the battle line, are preferred over their equally worthy fellow soldiers at home. Even field clerks, who are civilians, will get \$100, while the fighting private will get only \$30. In short, the bill is a mass of arbitrary and unjust discriminations.

I can not imagine what principle is back of this discriminatory bill unless it be that its authors are trying to follow the text, "For he that hath to him shall be given, and to him that hath not, from him shall be taken even that which he hath." The bill is an insult to the private soldiers who have served

their country. [Applause.] It were better to give them nothing at all than to discriminate against them in favor of their officers. A private soldier would be justified in casting back into the face of Congress the beggarly pittance offered him, as an affront to his pride and sense of justice. Congress will not win gratitude by such a measure. To the contrary, it will be received with contempt and in disgust.

A REPUDIATED PRINCIPLE.

Another measure of similarly discriminatory nature came before the House in the compensation—pension—bill in October, 1917. It was then proposed to compensate disabled officers and soldiers and the families of those who might lose their lives, upon the basis of the rate of pay they received. This vicious principle was repudiated by the House by a vote of 139 to 3. I had hoped that such a vote would show so clearly the sentiment of the House that no bill carrying this vicious principle would again be presented. But at the first opportunity up comes this bill. It seems that armies are built on lines of caste and inequality, and those in authority can not be made to comprehend that the American Army as now constituted is an army of equals and must be dealt with according to principles of justice and democracy. The General Staff must get out of its mind the conception of the soldier as a professional and comprehend once for all that ours is an Army of American citizens who have left civil pursuits not from choice but of necessity to give their services in defense of our country. The caste system is out of place in such an army. The social gulf between officer and man has no real existence. The idea that the *pay* that officers and men receive while in service is the fair measure of the Republic's debt of gratitude is false to its roots and must not be countenanced nor respected. The highest officer has made no greater sacrifice than the humblest soldier. He has no greater claim upon the Nation's gratitude. If a gratuity is to be given, it must be equal and given to all alike, else it would be an insult to our principles.

The amount which would be required to carry out the provisions of this bill is estimated at about \$154,000,000, of which the officers will receive \$38,500,000 and the enlisted men will receive about \$113,000,000. This includes not only noncommissioned officers, who receive from \$36 to \$75, but the vast mass of privates, who will get only the flat sum of \$30. If the same appropriation was equally divided among officers and men each would get about \$47 as his share. This would be a mere trifle, but at least could be defended on the ground that an equal amount was given to all.

NO BASIS FOR DISCRIMINATION.

Upon what theory this bill proposes to discriminate in favor of officers and against enlisted men I can not understand. The officer has had the best of it all along the line, the best clothing and food, the most leisure, the greater opportunity to distinguish himself, more chance to get his name mentioned in the dispatches, and for promotions, social pleasure, and all that goes with military rank. The sweating and the digging, the night vigils, the cold, the exposure—this has been the lot of the private. The hardships of actual battle, of course, are fairly equal, and I would not to a hair's weight take away the credit that is due our officers for their splendid service, but in camp

life—and always nine-tenths of service must be in camp—the officer has a fairly acceptable time of it. But the private bears the drudgery, monotony, and hardship—even when off duty he is not at ease, but must salute, and salute, and salute every little officer that he chances on. From the standpoint of a former soldier I want to say that the hardest thing of a soldier's life to endure is the sense of his social inferiority. I would rather be a major general on a private's pay than a private on a major general's pay.

The bill can not be defended on the theory that the earning capacity of the officer class and enlisted men was different in civil life. A multitude of officers were little better than boys when they went to the training schools. Many were just out of college and had no earning capacity. Many had never earned a dollar in their lives. The enlisted men, as a rule, are more mature. Many were taken from good jobs and paying positions. Many were skilled workman or good farmers, so that in the vast majority of cases the enlisted man before entering the service had a greater earning capacity than the boy who became a second lieutenant and perhaps has now been advanced to captain.

Again, this bill gives the preference to the least needy class—the officers. They as a rule belong to the professions or are men of education and training, who will have the least trouble making a living after they are discharged. Many of them have relatives and friends of wealth and influence who will help them into paying positions. Many of them have technical training and their jobs are being held for them. On the other hand, a multitude of privates are unskilled or are mechanics, whose jobs at home have long since been filled and who have no rich or influential fathers to hold them up while they hunt work. They will be compelled to get jobs at once upon being discharged. They will have to take whatever kind of work they can get and be self-supporting from the start. They especially need help so as to relieve them of having to plead for work or to scramble for the job of some other worker. Officers, especially of higher rank, receive good pay. Their necessary expenses are not large, and many have been able to lay aside tidy sums out of their pay. The private has saved nothing—he has no reserves.

THE PROBLEM OF THE HOUR.

The discharged soldier needs help, and needs it now. It is the most pressing problem of the hour, and calls for immediate attention. Already 30,000 a day are being released, and soon the number will greatly increase. Realizing the urgency of the situation, on December 5, 1918, I introduced the following bill:

A bill (H. R. 13255) for the relief of discharged soldiers and sailors.

Be it enacted, etc., That there shall be paid to each honorably discharged enlisted man and officer of the Army and Navy who may have served not less than 60 days between April 6, 1917, and January 1, 1919, the sum of \$180 in six equal monthly payments as a gratuity, the first of such payments to be made at the time of his discharge or within 30 days after the approval of this act where such enlisted man or officer has been heretofore discharged, payments to discharged soldiers to be made under the direction of the Secretary of War and to discharged men or officers of the Navy under the direction of the Secretary of the Navy: *Provided*, That a total of not exceeding \$180 shall be paid to any discharged soldier or sailor irrespective of the number of times discharged.

SEC. 2. That all and such sums as shall be necessary to make the said payments be, and the same are hereby, appropriated out of any funds in the Treasury not otherwise appropriated.

This bill is now before the Committee on Military Affairs. I could hardly expect them to report my bill in preference to the bill which has been sent down to them from the General Staff. The initiative of Congress is not yet sufficiently restored to admit of that, I think.

Mr. McKENZIE. I have listened to the gentleman's speech with a great deal of sympathy, and I think the gentleman has a pretty good idea about it, but I would like to ask how he comes to determine upon \$180; by what process of reasoning did the gentleman arrive at the fact that he thinks we ought to pay \$180?

Mr. HUDDLESTON. I do not stick to \$180. I made it as much as I thought Congress would agree to, and as little as I thought it would be decent to give. I would give more. I fixed it at \$30 a month for six months, which is the pay that a private soldier gets, intending to give discharged soldiers six months in which to hunt jobs. The idea was to give them an amount which would pay for some sort of board for six months; that is what I had in my mind.

Mr. GORDON. I was just going to ask this in reference to what the gentleman stated. As I understand, my colleague bases it upon six months' pay for a private soldier, making them all of equal amount?

Mr. HUDDLESTON. Putting all upon an equality.

Mr. BLANTON. Does the gentleman know how much that will amount to?

Mr. HUDDLESTON. Yes; it will amount to less than \$600,000,000.

Mr. BLANTON. Does it make any difference what it amounts to if it is the right thing to do?

Mr. HUDDLESTON. It might make some difference to the taxpayers; but I will say to the gentleman from Texas that if we are to waste any money raised for the running of this war let us waste it on these boys who have gone into the war. [Applause.]

My bill would treat officers and men alike, and give to each \$30 a month for six months after discharge. This, of course, is inadequate, but at least it is fair to all and will hold the soldier up until he is able to become self-supporting.

The necessity for relief for the discharged soldiers is universally recognized. Measures for that purpose are being adopted by many of the important countries of the world. Great Britain gives each discharged soldier one month's pay and rations, family allowances for one month, and one year's insurance against unemployment. I am informed that Italy gives a gratuity of from one to six months' pay, depending on length of service. France has appropriated a billion and a half francs to be divided among her discharged soldiers. Canada proposes to teach her discharged soldiers farming where they desire it and to place them on farms and to give them a start with a loan up to \$2,500. Australia has appropriated \$200,000,000 and, as I am informed, proposes to lend as much as \$2,000 to start a soldier off as a farmer. In the United States vague plans for utilizing waste lands for soldiers have been mentioned, but nothing definite or adequate has been proposed. The proposal of the department's bill to give a gratuity of only one month's pay is the least adequate that has been offered by any country. In great America, richest and strongest of them

all, it is proposed to do the least of all. It would be a shame to be so niggardly.

The subject of giving help to discharged soldiers has two sides—its sentimental side and the side of justice and sound common sense. As a mere testimonial of the Nation's gratitude to those who have defended American honor in the war a liberal gift to each discharged man would be proper. Every American is thrilled with pride by the splendid quality of our troops, by their patriotism, courage, and self-sacrifice. Nothing is too good for them. No soldier should be discharged with the fear that his sacrifices are not appreciated. The great warm heart of the Nation should be opened to him. He should be made to know that we value his nobility and will ever cherish and remember his heroism.

IMMEDIATE ACTION NECESSARY.

But, on the other hand, the side of this matter that most appeals to me is the stern necessity that something must be done. Few enlisted men save any money. Nearly all of them have made allotments and taken insurance. They have saved nothing, and will be discharged penniless. We will see them hunting work. Many of them will not find it at once. They will gather in the cities, and after a little while it may be that at the street corner some hero—a real hero of Chateau Thierry or Belleau Woods—may stand in his ragged uniform and beg the passerby for a meal. Such an instance would be a shame to America, and if it could, be charged to Congress would be a disgrace to the legislative branch. Much suffering and destitution among women and children will inevitably occur unless our soldiers are given some money on discharge, for many of them have dependent families who have been living off their monthly allotments.

It is nothing but justice to give the soldier a substantial gratuity. Many of those who stayed at home have enjoyed great prosperity. Some have made immense fortunes. Wages as a rule were greatly increased. The soldier has lost the job he had before he went into service. He may have a hard time to get as good a one. There will be delay, and he will be idle until he finds work. We should do something to compensate him for his lost position and for the idleness which will follow on his discharge.

A SERIOUS LABOR SITUATION.

One of the most serious sides of the discharged-soldier problem is its effect upon labor conditions. With the 4,000,000 men now in service thrown on the labor market demoralization will follow. Unless the situation is carefully handled, a labor panic will result. There will follow great industrial and social unrest, with possibilities of disaster. We must bear in mind that several millions of men and women heretofore engaged in the production of war supplies and other war work are losing their positions. They will have to seek new work, and many are now unemployed. When the war work is finally stopped, as it must be during the next few weeks, there will be a surplus of labor even without the discharged soldiers. With all these added to the labor supply the condition will be most serious, perhaps critical.

Even without taking the discharged soldiers into account, a statement issued by the United States Employment Service on

December 14 shows that the demand for labor is declining fast, and already a surplus is found in many places. The only thing that can prevent a disruption of labor conditions is the fact that our workers have accumulated some reserves and can wait a few weeks for employment without suffering. By their savings they are enabled to protect themselves from being forced to take whatever job they can get at any price that may be offered them. But the discharged soldier has no reserves. He will be thrown at once on the labor market. He will have to have work immediately. Turned loose penniless, many will soon be starving and will be compelled to take anybody's job that they can. A starving man can not demand fair wages and conditions. He is compelled to yield to the pressing necessity of the moment. The labor organizations of the country have not sufficient resources to enable them to hold up millions of discharged soldiers for longer than a few weeks. As I see it, if we are to prevent a complete disruption of the labor situation, attended with the greatest hardship and peril, Congress must make provision for the maintenance of soldiers for a reasonable time after their discharge. It thus becomes not a matter of sentiment, generosity, or gratitude, but of stern economic necessity that we make provision for these men.

A*REMEDY FOR DISCONTENT.

The whole world is war worn and exhausted. Europe is prostrate to a degree that few in America comprehend. Anarchy threatens nearly every nation of Europe. Our captains of industry understand this and they have fears for themselves. They are carrying on a vigorous propaganda against "bolshivism," as they call it. They seek to cry it down by mere words and to restrain it by the strong arm of the law. I think I can see a better way to deal with discontent than by preaching at it or calling a policeman. Bolshivism has causes—hunger and despair. We must remedy the causes instead of trying merely to suppress the delirious cries of those sick with the disease. It will test the stoutest patriotism of the soldier to be discharged penniless after having offered his life for his country, to find himself jobless and starving in spite of his best efforts to get work, and to look around and observe that while he was far away in the battle trench profiteers, war contractors, and captains of industry have heaped up their millions out of the opportunities that the war gave. The best remedy for the discontent that it is feared that a discharged soldier may feel is to help him back into a job and to care for him while he honestly looks for work—to restore, to make him whole economically, to make him understand the lively and lasting gratitude of his country. This purpose can not be achieved by turning the soldier loose penniless, nor even by giving him the pittance of a mere month's pay. He must have something substantial. He must be maintained for several months, so as to give him a fair opportunity to find his proper place in the labor world.

Work is yet being done on war contracts; it is said that they have not been stopped because of a desire not to do injury to contractors and to the labor employed. Many millions are being spent in this way. It is said also that soldiers will be held in service so as to keep them from flooding the labor supply. Millions will be spent in their maintenance, equipment, and pay.

I am told it costs over \$50 a month to keep a soldier going; that is, the upkeep and maintenance of all kinds. Why should we keep him in service, at a cost of \$50 a month, when we might turn him loose and let him get at some useful work and identify himself with society?

Why not apply the millions that are being spent in these ways to the direct benefit of the soldiers? Why not discharge them now and give them their pay after discharge, just as though they were in service? It would be a fairer and more economical use of the money.

The American soldier has shown himself a hero. We come out of this war with a new confidence in our ability as a people to defend ourselves. Our citizen soldier has shown himself the full equal of the professional European soldier. Untrained boys from the farms and shops have mastered the famed Prussian Guard, and the luster of American arms will shine far into the future. We have made war on war, and we are the victors. Every humanitarian and patriot hopes there may never be another war. But as we indulge this hope, let us not forget the duties of the present hour, one of the first of which is to see that our discharged soldiers and sailors are properly cared for. [Applause.]

Mr. McKENZIE. This is not a very pertinent question and you may not want the answer to go into your speech. I am prompted to ask it from what you have said about the labor conditions following the war. What do you think of the wisdom of the recommendation of the Secretary of the Navy to employ those men in the construction of an enormous Navy, which will employ several hundred thousand men after we get the ships built to run it, and also the recommendation of the Secretary of War, as reported in the newspapers, that he favors the completion of all these Army cantonments, which would require the employment of thousands of men annually to keep up? Do you think that would be a wise thing?

Mr. HUDDLESTON. I want to try to give an answer that will be respectful to the Secretaries of the Navy and War. The gentleman may perhaps have observed me long enough in the House to realize what I mean when I say that I think the proposition for an enormous Navy is an "enormity." Statesmanship is bankrupt when it can plan no better use for men than putting them to doing something absolutely useless in order to keep them busy. The great problem of the world now is to produce food—food and clothing and the common necessities of life sufficient for the suffering millions of mankind. It is a poor thing to do to take a man away from producing the necessities of life in order to have him produce anything else. There is plenty of useful work that needs to be done; the great problem of the world for the next two years is to get food and clothing and the common necessities of life. Every man who can work ought to be put to doing something useful in the production of these common necessities of life. If I had control of the matter, instead of building fleets which will be "enormities" when built, instead of consuming valuable materials and the toil of men's hands in the construction of useless cantonments, I would put men to providing things that the people of the world are crying for, that would relieve hunger and suffering. [Applause.]

98339—19180

HAVE WE LOST THE WAR!

SHORT SPEECHES ON ARMY AND NAVY MATTERS

SPEECHES

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES



WASHINGTON
1919

105702—19284



SPEECHES
OF
HON. GEORGE HUDDLESTON.

Tuesday, February 11, 1919.

ON NAVAL APPROPRIATION BILL.

Mr. HUDDLESTON. Mr. Speaker, the bill as presented carries an appropriation for the Navy for the fiscal year beginning July 1, 1919, and in addition to this legitimate purpose the bill commits the United States definitely to a policy of vast naval expansion. This policy to which our country is thus to be committed is to have the greatest Navy in the world; it is the policy of naval competition in which we express the purpose to allow no nation of the world to exceed us in naval armament.

We see that the bill has two purposes: First, to maintain our present Navy and to build ships authorized by previous Congresses, and, second, to definitely commit our country to this new policy of competition in armaments.

NO ADEQUATE PROVISION FOR DISCHARGE OF ENLISTED MEN.

I seriously object to the bill as an appropriation bill, for the reason that it makes no adequate provision for the discharge of men in the Navy who enlisted for the duration of the war. The war is over. These men now feel that they should be discharged. The bill does not provide for this. They may be retained in service within the number appropriated for until their places can be filled according to the leisurely methods of recruiting now being followed, unless perchance articles of peace should be signed and the President proclaim the end of the war before that time. It is very clear, as to the majority of the enlisted men now in the Navy, that they can not be discharged within the next four to six months.

I am dissatisfied with this aspect of the bill and would be reluctant to accept it even were it not loaded down with the

objectionable provision committing us to a policy of navalism of an extreme and dangerous type. I think our boys who have enlisted in the Navy are entitled to their discharges. We owe it to them that they shall not be retained longer than absolutely necessary. Their families have need of them. They wish to go home and to engage in business and take up the normal course of their lives. I feel it is unjust that they should be retained in the Navy merely to keep in commission ships for which there is no present need.

A SPECIOUS ARGUMENT.

We are urged to commit our country at this time to a policy of competitive naval expansion with the argument that in some mysterious way the adoption of this measure will strengthen the President's hands and enable him to induce the nations to agree at the peace table upon a policy of disarmament. *We are urged to adopt a policy of armaments in order to get other nations to agree to disarm.* That is the argument that is now being used in behalf of this bill. This argument can have no validity unless it means that we are to use the threat of building a vast Navy as a means of bringing other nations to terms. We are to hold the big stick over other nations and to coerce by threats. The mere statement of the argument refutes it. It is childish and unworthy. It places our Nation upon the low and contemptible plane of the bully. It compromises the dignity of the Government of a great and free people. I will not place my country in such an unworthy position.

The excuse for entering upon this policy that it will help the President is a mere pretense; it is not based in sincerity. I remember that in October last the Secretary of the Navy brought forward this identical plan and policy. He then announced that it was to be presented to Congress and its approval asked. That was before the armistice had been proposed or signed. At that time the policy was a war measure. Everyone expected when the armistice was signed that the policy would be abandoned. It was most surprising to learn from the President's address to Congress when it assembled in December that he still approved the program. His address, by clear implication, urged

it. We did not know then that Germany was utterly crushed, and many believed that the policy of vast naval expansion was being urged as a measure against Germany still as a war measure. The American people had fought to end all war and to make future peace secure. The war had been won and greater armaments seemed uncalled for. No one dreamed that the conference then about to be assembled in Paris would not agree on disarmament. No differences of opinion had then arisen.

The proceedings of the peace conference have proceeded along the lines contemplated. We have no information that differences on disarmament have arisen. For all we know the situation is the same as it was before the conference assembled, except that we now know that Germany is wholly crushed and can not be again for generations a threat to the peace of the world.

We find that the policy of competitive building of fleets was desired first as a war measure, next as a measure in contemplation of an uncrushed Germany, and now is desired either as a permanent peace measure or as a big stick, to coerce our late war associates into agreeing to a satisfactory peace. The situation is absurd. The reasons presented are specious. If there be any good reason for entering upon this policy at the present time it has not been given us. We are acting in the dark. Somehow I can not get myself to believe that the measure is in furtherance of any definite or well-considered purpose.

THIS IS NO TIME TO ADOPT A NAVAL POLICY.

Of all the times in our history for the adoption of a definite naval policy this is the least appropriate. No man can now definitely say just what such a policy should be. If the peace conference decides upon disarmament, then no program of naval expansion can be entered on. If the conference limits armaments, of course the United States must conform to the limits adopted. If we are to go back to the old system of each nation adopting its own policy in the matter of armaments it will be plenty of time for us to decide what we will do after the conference adjourns. We do not propose to begin the building of the ships which constitute the program until 1921. We can not

get ready to begin until that time, for our yards and ways will be occupied with ships already authorized and contracted for. We can not begin on the new program until 1921. At least two sessions of Congress will be held before that time. The adoption of a naval policy should be left to these sessions—the next Congress. It must provide and appropriate the money for the program; why should not the adoption of the program be left to it?

Summing up on this point, we find that we are now being asked to adopt a naval policy now on the least timely occasion and when we can not know what policy we should adopt. And, further, we are asked to adopt this policy now, when there is no reason why its consideration should not be deferred until the next Congress. No time is gained by adopting the policy now. No advantage can be had over its consideration by the next Congress. Can it be possible that the pressure to adopt the policy now comes out of the fear that the next Congress will not be willing to adopt it? If such be the case, still, nothing is gained, for the next Congress must make the appropriation; and if it does not approve the policy it will not appropriate the money to carry it out. I stand in amaze, and in no way that I look can I see reasons which would lead Members of Congress, acting on their own judgment, to support this measure at this time.

A POLICY THAT WILL LEAD TO WAR.

I am unwilling to enter upon a policy of naval competition. It is a policy that will lead to war. The situation of our country and its foreign policy does not require that we shall have the most powerful navy. Other countries are more dangerously situated. They are more dependent upon fleets to defend their sources of supply and their colonial systems. We have no hazards of that kind. If other nations of the world act foolishly, we have no need to compete with them in their folly. Rather than do so and be led eventually into a war, I should prefer raising the big stick now and threatening the world; not that we will compete in fleets and armies, but that we will fight them if they do not accept the policy of small armaments. I

had as lief fight now as a few years hence, especially if the interval is to be spent in preparation by all sides so as to make the war more bloody and disastrous.

February 4, 1919.

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Mr. HUDDLESTON. Mr. Chairman, the naval appropriation bill which we now have under consideration commits the United States to a new policy—a policy of expansion until we shall have in 1925 the greatest fleet in all the world; as Great Britain increases her navy we are to add to ours; we are to aim at having a Navy second to none. Of course, in 15 minutes I can not anything like cover my objections to the policy expressed in the bill. To cover the subject fully would require that I present all the objections which might be made to militarism and to imperialism, to world exploitation, and to the suppression of democracy in general. This bill means in the ultimate conscription of men for service in the Navy just as we had them conscripted for service in the Army, for sufficient forces to man the immense fleets proposed can never be had under the volunteer system. It means conscription in time of peace instead, as we have had it in time of war. We must contemplate that as the final result. While I can not in the short time allotted me anything like express all the objections which I have to this bill, there are a few things I want to say in my plain way and with all modesty.

I want to express one or two superficial objections which I have to this bill. Analyze this measure and you get out of it the belief upon the part of those who bring the bill forward that we have lost the war. I had thought that we had won the war, but it seems that I was mistaken. The American people thought that they had won the war. They entered into it with all their souls to abolish armaments—to do away with war. It was said to them from rostrum after rostrum, "Win the war drive Prussian militarism out of the world. Usher in a period when there will be no war, and the men of the earth may dwell together in brotherly unity." But it seems that instead of ridding the earth of the burdens of armament we have but begun

to arm. The argument was made on the floor of this House, when we were asked to vote for war against Germany, that if Germany is not defeated we would have to arm against her; we would have to make ourselves one of the great military and naval powers of the world and stagger on under the burdens of militarism—that was the reasoning that got my vote for the war; that argument got the support of the American people for the war.

They said, "AMERICA FOUGHT TO ABOLISH WAR."

I think I know something of the great heart of the common American man. I know that in that heart there was a resolve that we must do away with war and with all the hell that war means, so as to bring about a better time, one more befitting the professions of Christianity and the civilization of this age.

But in vain. We won the battles, but we have lost the war; that is the meaning of what they say who bring forward this bill. In vain the sacrifices of mothers and fathers and wives; in vain the pouring out of the blood of our soldiers upon foreign battle fields; in vain the brilliant achievements of the Argonne and Chateau Thierry, the sufferings of Belleau Woods—all in vain; they mean nothing. The hobnails of the American doughboy are clattering upon the stones of Coblenz. They marched across the lordly Rhine over the floating bridge. They climbed the steeps and planted Old Glory upon the heights of the ancient fortress of Ehrenbreitstein. But all that means nothing; all has no significance! If we are to labor and stagger on under heavy armaments throughout the years to come, we might as well never have entered into a war; or, having entered into it, we might as well have lost.

I am not going to agree to this policy. I want to be respectful to the committee; I want to be respectful to every Member of the House who may favor this bill and may support it. I want to be respectful, if I can; but I am afraid that my views upon this bill may be construed as somewhat lacking in respect. I do not so intend it. But they are my views. I submit them in all humility and in all modesty. I submit them regretfully and only as a matter of stern duty. But I hold to it with all the

strength of my reason and my soul that this bill represents a policy of the most stupendous folly that was ever advocated upon this floor. I would say that it represents a wicked policy if I only might say that and still be respectful, as I would like to be.

What is the meaning of this bill? What is the reasoning back of it? Whom are we arming against? Whom do we fear? The "Hun," as the superpatriot so loved to call him, has gone. Prussian militarism lies a smoldering ruin. It is merely a corpse that the nations of the world sit upon in Paris. They are merely a coroner's jury. The strength of the German armies is gone, not only for this generation but for a hundred years to come. It is a most stupid man who does not comprehend this fact.

There are two important naval powers of the world today besides ourselves. One is Japan, which has a navy much inferior to our own, even as it is to-day. And Japan is a poor nation and her fleet must continue to be inferior, it will be vastly inferior when we complete the program already adopted without taking the present bill into mind.

This added program and the policy it speaks for has no occasion in Japan, and no intelligent man will say so. The other great naval power is a power that has ruled the sea for ages. Britannia rules the waves to-day, and that Britannia might rule the waves has been the corner stone of British policy for over 300 years. That policy is founded on logic and has good reason to support it. With a people situated on a small island, a numerous people, depending almost wholly upon commerce and industry as a means of support, relying upon other nations for food and raw materials that enable them to live, we can well understand how the British may insist upon ruling the waves so long as Great Britain lies open to her enemies and to all the world in such fashion. We can understand how the British are not willing that their people shall be subject to be strangled to death by any power that may happen to get supremacy on the sea.

NAVAL SUPREMACY NOT ESSENTIAL TO OUR SAFETY.

But our situation is entirely different. We are self-sustaining. We have our own raw materials. We can feed ourselves. You may cut off our commerce to-morrow for a whole year long and the American people will live at the end of it, and there will be no suffering for lack of proper food, and we will be clothed. Our situation is altogether different from that of Gréat Britain. We have no far-flung colonies. We have embarked upon no policy of imperialism which makes it necessary that we retain control of the seas in order to get into communication with colonies that may lie in the remote corners of the world. God grant that we may never enter upon such a policy. But we will enter upon it if we carry out the policy that this bill speaks for.

But gentlemen say that these ships will never be built. Perhaps the remark has not been made upon this floor, but it has been made privately, made in the cloakrooms, and is generally current, that these ships will not be built. Some gentlemen think the world will agree upon disarmament before the ships are built, and, therefore, the next Congress will repeal the act. Then there are others that say that in order to procure disarmament by agreement of nations we must "bluff" Great Britain into agreeing to dismantle her fleet, and that the proposition merely involves a bluff upon our part.

A CHALLENGE TO GREAT BRITAIN.

Now, I want to say this. I have too high a conception of the honor of my country to take part in putting up a bluff. I will not humiliate my country. I will not descend to a contemptible plane of bluffing in order to bring about a policy of disarmament. I decline to descend to the ethics of the card table in fixing on a policy for my country to pursue. Then, what do we mean? We mean to build the ships. We mean to challenge British supremacy upon the seas. That is what we mean, if we mean anything.

Now, I want to ask: Do you think, gentlemen, we are going to get away with it? Do you believe that Great Britain will

permit the United States to challenge her naval supremacy? Do you think she will sit with folded hands while we build a fleet which shall master hers? Will she tolerate a competition in naval armament, the creation of a navy that may drive hers off the seas and starve her people into submission?

I am here to tell you that your policy means war with Great Britain. Great Britain has never stood for a challenge of her naval supremacy. For 300 years she has ruled the seas, and she will not give up that control to any other power, whether it be America, Germany, or Japan. "Go where you will, you shall not control the sea." So the British will say. "You shall not control the sea until Britain lies prostrate and bleeding and her fleet is driven by force from off the main."

Spain, in the old days, challenged British naval supremacy, and the answer was a scattered and destroyed Armada. The Dutch thought to challenge British supremacy, and the end was the wrecked and defeated fleets of Tromp and de Ruyter. France challenged it under Napoleon, and the answer was Abukir Bay and Trafalgar. Germany challenged British supremacy, and the answer was that great spectacle, the greatest the human eye ever took in, when the entire German fleet, dreadnaughts, superdreadnaughts, battle cruisers, submarines, transports, and all sailed across the North Sea and surrendered to British supremacy.

What Great Britain would not submit to from other nations she will not tolerate from us. Let not this Nation puff itself up with foolish egotism. Let not this Nation talk the foolish patter of "blood is thicker than water." It is not a matter of blood that counts. We ourselves have already had two wars with Great Britain. I tell you, gentlemen, those of you who are favoring this program, you are bidding for a third war with Great Britain, the bloodiest and most disastrous of them all.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. GORDON. Suppose that England should notify the United States that she will not permit us to trade with any

one but herself and her allies. What would you say about that? Would you sit down and calmly acquiesce in it, or say we ought to fight?

Mr. HUDDLESTON. Whenever the dignity and honor of our country are at stake I would say we ought to fight. Even the peaceable gentleman from Ohio would fight under such circumstances I think.

Mr. GORDON. Yes; but understand I am not a pacifist. [Laughter.]

Mr. HUDDLESTON. Then I will withdraw that. I said it of the gentleman as a compliment. I am a pacifist if by that is meant one who loves peace. I think there is a saner and more rational way for the nations of the world to make up their differences than by plunging against each other like bulldogs. I think there is a better way than that. And if we have not learned that lesson out of this war, if that lesson has not come to humanity out of all the sorrow and suffering of this conflict, then the war was indeed in vain, we have lost the war, and the world is much further back than I thought it was.

Of all the acts of folly that any Congress, it seems to me, has ever committed, now they come forward with the supreme and crowning folly of them all. If we mean to fight Great Britain, then, gentlemen, choose intelligently and knowingly. If we mean war, then let us understand it at the beginning—for that is what it means in the end, and let us prepare, let us get ready. Let us get ready upon the land as well as upon the sea. Let us put aside this talk about universal disarmament. Let us admit that we have lost the war; that we have come out of it worse off than we went into it; and that the sole result of it is a monstrous burden of debt that shall rest upon the shoulders of generations yet unborn. Let us not go blunderingly and unwittingly unto a policy which will inevitably lead us into another awful conflict. [Applause.]

February 6, 1919.

ON THE DISCHARGE OF SOLDIERS AND SAILORS.

Mr. HUDDLESTON. Mr. Chairman, what I shall say is applicable to a clause of the bill which comes later; but it seems proper it should have some consideration in advance so that the defect in the bill which I shall point out may be remedied. I am very much dissatisfied with the fact that this bill provides no means whereby the enlisted men of the Navy can get relief—whereby men who are in the Navy and, now that the war is over, have business elsewhere, can get out.

A great many of these boys volunteered and went into the Navy because they did not want to be conscripted. That was their business; they should not be discriminated against because of that fact. They see that their brothers who were conscripted into the Army are being discharged by wholesale, whereas they themselves are being retained for service. And this bill gives them no relief whatever. There is no provision in it that will hasten discharges of these enlisted men, and there is no way by which they can get out after the bill is passed any more than they can get out now.

It is true that the bill reduces the enlisted personnel for the next fiscal year to 180,000, or something about like that, but it does not provide that the boys who enlisted for the war and who expected to be discharged upon the termination of the war shall be discharged. They may be retained in service at the will of the Secretary of the Navy, and may be kept as a part of the 180,000 enlisted personnel that is to be retained.

Mr. VENABLE. The bill does carry a provision that those who enlisted for four years, between certain dates, shall be discharged.

Mr. HUDDLESTON. The bill carries this provision:

Any enlisted man of the Navy or Marine Corps who, since April 7, 1917, and before November 11, 1918, enlisted for the period of four years may, upon his application, made to the Secretary of the Navy on or before July 1, 1919, be held and construed to have enlisted for the duration of the war and granted an honorable discharge.

In other words, the men who enlisted after war was declared are put upon a plane of equality, if this bill is passed, with those who were permitted to enlist for the "duration of the war" only. But what I am complaining of is that all of these men, no matter of what enlistment, may be held until after peace is formally declared and the end of the war proclaimed by the President, which may be 6 or 12 months hence. All the boys who are now in the Navy, and who are marking time in an overmanned fleet, doing absolutely nothing, can be kept there until a certain period, as provided by law, after the President has proclaimed the end of the war.

Mr. PADGETT. Will the gentleman permit me for a moment?

Mr. HUDDLESTON. Certainly.

Mr. PADGETT. I put in the RECORD last night just as they were adjourning, a letter which I received yesterday from Admiral Blue, Chief of the Bureau of Navigation, setting out at length what was being done and what the directions were, and you will find it on pages 2892 and 2893 of the RECORD of yesterday. He says:

The department has up to date directed the release of 40 per cent of the reserves, 40 per cent of the men who enlisted for the war only, and 20 per cent of the regular four-year men who enlisted since the beginning of the war.

And then he says further:

In addition to this orders have gone out during the last few days to release all the Naval Reserve men and men enlisted for the war only who are now undergoing training at the training stations and at trade schools, if they so request.

We have also ordered the release of 20,000 men of the Naval Reserve and men enlisted for the war who are performing shore duties at the various naval districts.

He goes on to say that he really does not know how he is going to maintain sufficient to operate the ships and bring the ships home. And only this morning Capt. Taussig told me that if that provision, which has just been read, and which is in the bill, goes into effect, he does not know how the Navy is going to operate ships in order to bring the boys home.

Mr. HUDDLESTON. Mr. Chairman, I thank the gentleman for calling my attention to the letter. Of course, we have all had occasion to take this matter up with the Navy Department

from day to day. I have the occasion about fifty times a day, when boys who are my constituents write to me asking me to do something for them. Of course, I do not always actually take the matter up with the department, for things are so run that a mere Member of Congress can do little except go through the motion. But the department usually gives me a polite reply, affording practically the same information the gentleman from Tennessee has given. We have ordered substantially 40 per cent out of the Navy, but what about the other 60 per cent?

Mr. PADGETT. We can not turn everybody out. And he says here:

In case of there being more applicants than can be released under the authorized percentages, those to be released will be decided by lot.

Mr. HUDDLESTON. If that is the rule, it is a very recent one. My information is—and the gentleman speaks as though there was some doubt about those who want to get out, not exceeding 40 per cent—that a month ago 70 per cent of the Navy had applied for discharges. I have no doubt that 90 per cent have applied up to this time.

Mr. PADGETT. Will the gentleman permit? Do you think we ought to discharge every man that asks to be discharged from the Navy and leave the Navy impotent and wrecked? What would we do with our ships? How would we bring the boys back? We are operating troop ships for the Army, and every day we see in the papers where they are bringing back thousands of men. It is going to continue for months in order to get back the 2,000,000 men over there. Shall we discharge every man in the Navy and tie the ships up, with nobody to take care of them?

Mr. HUDDLESTON. That is not the only alternative presented.

Mr. PADGETT. Yes; it is. We are taking in about 1,600 a week of new recruits, but they have to be sent to naval training stations and trained three or four months before they can be put on the ships.

Mr. HUDDLESTON. The gentleman leads me quite a distance from what I wanted to say, but I am going back to it just as if he had not done so.

Eighty or ninety per cent have applied for release. All of these men enlisted "for the duration of the war." The war is over. They are entitled to get home. Now, the thing to do is to go out and get some new men into the Navy if these men who are there do not want to stay in it. The gentleman assumes that they have discharged 40 per cent. I tell him that 40 per cent have not been discharged. I do not know the exact figure, but I will guarantee there have not been over 25 to 30 per cent discharged.

There will be no robbing of the Navy of such of its efficiency as is required for these times—the war is over—merely because 50 per cent of the men are discharged. We had over 500,000 men in the Navy when the armistice was signed. Fifty per cent of them would be only 250,000. The gentleman must not go astray on the thought that our Navy is charged with bringing back our soldiers from France. They have nothing to do with our transport system. That belongs to the Army.

The Navy is not charged with the duty of bringing our soldiers back from Europe. It is true that some of our battleships are being used as I am informed against the advice of the higher naval officers in bringing back some troops from France. But such troops are comparatively few in number and these ships are doing little good at that use.

The discharge of 60 per cent of the Navy will not in anywise handicap the bringing of our soldiers back from France. The truth of the matter is that the Navy Department does not want to let these enlisted men of the Navy go. The Navy officials want to keep them there. There are a thousand reasons why they should be let go and very few if any good reasons why they should be retained in the service. The best reason for the discharge of these men is that they enlisted with the understanding that they should go home about their business when the war was over. Now we are holding them on a legal technicality, on the ground that peace has not been formally proclaimed. Well, our Navy was overmanned when the war was on. It is still overmanned. There is no

good reason whatever for keeping in active commission a great many of the vessels. We turned back to their private owners something like a thousand vessels when the war closed. I submit, gentlemen, that we could easily dispense with all of the enlisted men of the Navy down to the minimum that the gentleman has put in this bill—that is to say, 180,000—less than 200,000—and let these boys go home and no harm would be done to the Navy and the transporting home of our soldiers from France not be delayed to any substantial extent.

We ought to hurry up and make a more diligent effort to recruit the Navy. Millions of men are being turned out of the Army looking for jobs and there is an oversupply of labor the country over, and the duty is on the Navy Department to get new men and put them into the Navy in place of those boys who have got something to do at home.

It is nearly impossible to get discharges, according to the reports, and the reports that come to me are unanimous. It is almost impossible to get the boys out on account of the whims of their officers. Under the rules of the department those who apply for discharges are divided into three classes: First, those who have dependents; they are given the preference. The next class is those who have urgent business reasons for desiring their discharge; they are given the second preference. The third class is those who want to finish their education; and they also are given a preference. What about the fellow who wants to be out simply because he wants to be out? Why should he not be given some consideration? He has the same right to be discharged as anybody else, and he should not be forced to depend on the arbitrary discretion of the Secretary of the Navy or the whim of some little officer somewhere who fears that he will reduce his own importance by reducing the number of men under his command.

There are men in every port, in every station, in every office who could well be spared, men who are practically doing nothing. They are sitting there, simply warming their chairs. I do not know why they are kept there. The men themselves say

they do not know. There are men in the Naval Officers' Reserve who want to get out, and they do not know why they are held. I was told by an assistant paymaster of the Navy a few days ago, who had been trying for 60 days to get out so that he might go back to his family and his business, that when his relief finally came he told him that there were 60 boys at the same station he had come from, all graduates of the paymasters' school, who had been there for a month or more and had not done a stroke of work, and most of them were pleading for discharges.

I say that the good faith of this great Nation is pledged to let every man out of the Army and the Navy as quick as it is reasonably safe to do so. I say that the man who enlisted for the duration of the war ought to be discharged. We ought not to have accepted these men for the duration of the war unless we meant to let them go when the war was over. But we accepted them. They have the moral right to be allowed to get out.

Thousands of mothers and fathers throughout the country are urging their Representatives in Congress to help them in getting their sons out of the Navy. They have to go through an intricate formula, and supplement it with technical affidavits, and then the application may be put in a pigeonhole for months, and finally some little officer says, "Your reasons are not sufficiently stated, and we can not let you go."

That is what the boys are up against in this country. Something ought to be done. We ought to have some relief from it. Something should be done by this committee. Some provision to that end should be put into this bill by amendment or otherwise. Something should be done to keep the faith of this Nation with those who enlisted to fight the battles of the country on land and sea. [Applause.]

January 28, 1919.

AGAINST SOCIAL CASTE IN THE ARMY.

Mr. HUDDLESTON. Mr. Chairman, I hold in my hand a clipping from the Waco News-Tribune, of Waco, Tex., dated January 8, 1918. This clipping purports to give copy of an order issued by Gen. Buck, who is in command at Camp MacArthur. This clipping is as follows:

OFFICERS ADVISED SOCIALLY—CAN'T MINGLE WITH ENLISTED MEN—BY
COMMAND OF GEN. BUCK ORDER POSTED REGARDING ENTERTAINMENTS.

The following order has been posted at Camp MacArthur:
Headquarters, Camp MacArthur, Waco, Tex., January 6, 1919, General Orders, No. 1.

1. The attention of officers of this command is called to the impropriety of attending social affairs at which enlisted men, or persons in the uniform of enlisted men, are present.

Hereafter any officer of this command who finds enlisted men present with proper authority, i. e., duly invited or permitted to pay their way in, at any social affair at which the officer is a guest, such officer will at once depart from such social affair, and if he finds persons in the uniform of enlisted men permitted to be present he will take the same action.

When an officer finds enlisted men present at any social affair without proper authority, he will take such steps as the occasion may warrant to cause them to leave, and will report any violation of regulations which may occur.

By command of Maj. Gen. Buck.

W. H. WOOLWORTH,
Major, Infantry, United States Army, Acting Executive Officer.
Official:

E. E. LAMBERT,
Major, Adjutant General's Department, Adjutant.

Mr. Chairman, this clipping shows the spirit of caste existing in our Army even to this day. It shows the harsh and overbearing attitude of the officer class. It shows, as I have often said before, that our Army is the most undemocratic institution in America.

Mr. Chairman, we have heard a good deal of this un-American system of caste. The fact that this system of social discrimination is practiced in the Army has been denied from time to time. It has even been officially denied, but all who are familiar with Army life know that this order here at last brought to light in print discloses an actual practice lived up to

by our officers of the Army, and which has been lived up to for years.

We have carried on a war for democracy. We have gone to Europe to carry democracy to the people there, and yet we are fighting against it here at home. In Europe our Army and Navy are being used to promote democracy. Here at home these same instrumentalities are being used to suppress democracy. Those who are responsible for the spirit of caste which characterizes the Army have no comprehension of the principles they are affecting to teach.

I want to say that there can be no real political democracy where there does not exist a social democracy. [Applause.] There can be no real democracy that we can carry into a foreign land when we deny to our boys who carry that torch in their hands the right to be regarded as men here at home. The men who fight our battles are good enough for any officer to meet as equals. They are entitled to be treated with respect and consideration.

Look at this order and analyze it. An officer is supposed to be a gentleman; this order put into effect would make it impossible for an officer to be a gentleman. If I were to invite two brothers to eat at my table, one being an officer and the other an enlisted man, that one who was an officer when he saw his brother at the table would be compelled to leave, or if he felt that his brother was not rightfully there, then he would be compelled to force his enlisted brother to leave the premises. Under this order even a discharged soldier wearing his uniform can never be good enough for an officer to associate with. There is not a boy who has been in the service who has not felt the effects of this caste spirit and system. There is not one who does not resent it. There is not an enlisted man who does not dread the social gulf that exists between officer and enlisted man more than the dangers that he endures. They dread it more than they do the hardships of the service.

Most high Army officers are in favor of a permanent system of conscription. I want to say to them here that by their overbearing conduct toward the enlisted men they are doing more to

make Army life unpopular than any "pacifist" could by preaching against militarism. I warn them that they can not get away with it. No system of compulsory service in time of peace will ever be endured by the American people so long as Army officers adhere to such outworn, overhearing, and undemocratic methods as disclosed by this order. What are we going to do about it? What are the American people going to do? Well, so long as the Army was a matter of professional soldiers, of men who were not compelled to go into it, the people took no great interest in the matter. But since the Army is composed of men who are serving whether they want to or not, the people of this country are going to see that they are treated decently. We will have a democratic Army or we will have none at all. Let the General Staff ponder that. They are pushing for a big Army. They consider themselves patriotic in that. Yet by tolerating—yes, fostering—the caste system they are making it impossible to recruit an Army.

Talk about violating the espionage act. Hundreds of honest men have been sent to jail for talking against conscription. Yet by keeping up a system of social oppression of enlisted men the officer class have done more to make them dissatisfied than thousands of unbridled agitators could have done with their talk. I do not blame Gen. Buck more than others. He has merely put into black and white a rule of the Army recognized by every officer. It is the men who control the Army, mold its spirit, and who make and change its customs and practices who are responsible. And the Navy is worse than the Army. [Applause.]

February 7, 1919.

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Mr. HUDDLESTON. On the 28th of January I inserted in the RECORD, on page 2319, a copy of an order which purported to have been issued by Maj. Gen. Buck, as the commanding general at Camp MacArthur, which in substance forbids commissioned officers to remain present at any social affair of any nature at which there are enlisted men or discharged soldiers wearing the uniform of enlisted men.

I took occasion to comment on that order, and am just in receipt of a letter from the Secretary of War, Mr. Baker, dated the 6th instant, in which he makes reference to the order of Maj. Gen. Buck, as follows:

WAR DEPARTMENT,
Washington, February 6, 1919.

MY DEAR MR. HUDDLESTON: My attention has been called to some remarks in the CONGRESSIONAL RECORD of January 28, based on an order issued by the commanding general at Camp MacArthur, Tex.

In order that you may be fully advised of the position of the Army with reference to orders of this kind, it is well that you should know that on January 18 the Chief of Staff directed the revocation of this order when it first came to his attention. On January 19 a telegram from the commanding general, Camp MacArthur, acknowledging receipt of instructions of January 18, stated that the order in question had been issued through error on January 6, and had been immediately revoked when it had come to his attention on January 8. I am,

Very sincerely,

NEWTON D. BAKER,
Secretary of War.

Hon. GEORGE HUDDLESTON,
House of Representatives.

This letter is signed by the Secretary of War.

Now, I do not want to do Gen. Buck any injustice, and therefore I want this letter to go in the Record, with the order that was issued.

Now, I want to analyze the letter of Mr. Secretary Baker and his statement just for a moment. The report is that this order was issued through error and was countermanded by Gen. Buck two days later. The order itself recites that it was issued "by command of Maj. Gen. Buck." It is signed by Maj. Woolworth, the acting executive officer, and by Maj. Lambert, the adjutant of the division.

The order is the order of January 6, which forbids that commissioned officers shall remain at any social affair where an enlisted man is present, or any person in the uniform of an enlisted man is present. This letter states that Gen. Buck did not authorize this order. Yet the order on its face expressly and plainly says that it was so authorized by Gen. Buck.

And now I want to ask the Secretary of War, What is he going to do about it? Here is an order issued by the camp adjutant and the chief executive officer of the division, which recites that it is issued by order of the commanding general.

That recital is said by the Secretary of War to be untrue. Those officers are thereby stated by implication to have been guilty of falsification, and I want to ask what is going to be done about this?

A situation is presented that is still more serious than the one I pointed out, which I may say I did not consider of very great importance. But now we have a situation in which two important executive officers of the Army have issued an order, an unauthorized order, an improper order, an order which the authorities of the Army would have us believe is in violation of the general spirit of the Army and the attitude of the Army administration toward the enlisted man. These officers issued this order, this unauthorized order, and they recited in it—I do not like to call it a falsehood, but they state that it was done by the commanding general, when that was not a fact.

I want to know if somebody is not going to be court-martialed as the result? I make bold to say that I do not believe any such thing is going to be done. While I believe Mr. Secretary Baker has been thoroughly candid in his letter, I also believe that somebody has imposed on him, the Secretary; and this order has a history to it and circumstances surrounding it which are not explained in this letter.

I want to say one other thing: That order is of comparatively minor importance, but all of us who know the Army know how the enlisted man is treated by the officers. We know that there is an impassable social gulf between the enlisted man and the officer, and we know that this is recognized by every officer of the Army and every enlisted man. So why blink it and say that it is not there? Every soldier knows it, and everybody knows that, Mr. Baker apart, it is countenanced and recognized by the highest military authority. Everybody knows that this situation and spirit has the support of all the commissioned elements.

I want to say this, further: This matter of officers and men associating together on a basis of social equality is in itself more or less of a minor matter, but it is the symptom of a disease which is far more serious, and which reaches much deeper into our Army life than any mere question of social observances,

or anything of that kind. It goes deeper than that. We find it in our Articles of War, which discriminate from beginning to end against the enlisted men and in favor of the men with commissions. We find it in the fact that punishments under these Articles of War are much more severe upon the enlisted man than upon the officers. If a man murders his neighbor, he is entitled to a trial by a jury of his peers—to a fair, open trial—but if he happens to be a private soldier and comes in two hours overdue on a leave of absence, or happens to say something a trifle impolite to a commissioned officer or fails to salute him as promptly as he would like to be saluted, he is brought to trial—before his equals? No. Before his superiors, a class not interested in his class, before a class that is interested in keeping his class in subjection.

And we find that inevitably there grow up these abuses which I have pointed out. This is evidenced in a thousand ways. An enlisted man who goes down the street knows that he must salute every commissioned officer he meets. It is not a sign of respect. If so, why should not the commissioned officer salute first, for both are but men, and the officer should respect the enlisted man just as much as the enlisted man should respect the officer? If it is merely a matter of respect, why should it be fixed by ironclad regulation that the man must first show his respect. It ought to be a matter of mutual respect. No; the salute, when not given in the line of duty, is a sign of servility, and is intended to impress on the man who is required to give it first that he is the social inferior of the other fellow and has to pay him a respect that the other man does not have to show. If the enlisted man should fail to salute him, the officer may place him under arrest and may reprimand him on the spot. If the man resents this in any way, he is lucky if he does not get sent to prison for a long sentence. Did you ever hear of a private stopping an officer and reprimanding him for failing to salute him in return? I never did; but I have frequently seen officers ignore the salute of the private. Officers pretend that they do not like the saluting system. Why do they

not stop it, then? The General Staff could abolish it to-morrow if they only wanted to and would say so to the Secretary.

Mr. BLANTON. I want to commend the gentleman for getting this order of Gen. Buck out of the way, and I want to ask him if he should not go further and get the other regulation out of the way that makes a distinction between the private soldier and the officer in allowing the officer to give social attention to our nurses in uniform and forbidding the private soldier to do likewise? [Laughter.] Ought not the gentleman to go further in that respect?

Mr. HUDDLESTON. I would like to reconstruct the spirit of our Army as a whole and make it democratic, as befits a great and a free people, and I think it is the duty of Congress to take up this subject. The first thing that should be done is to repeal and reconstruct the barbarous Articles of War under which our armies are now governed. These Articles of War not only make punishments possible which are cruel and inhumane, but they foster the vicious caste system, which is the bane of the Army. I would like our Army so constituted and dominated by a truly American spirit, which would make service in it in lowest rank compatible with the sensibilities of the finest and proudest American boy.

February 13, 1919.

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Mr. HUDDLESTON. Mr. Chairman, on January 28 I presented to the House an order issued in the name of the commanding general at Camp McArthur which in substance forbade officers and enlisted men to attend the same social affair. Again, on the 7th of this month I referred to the matter and read a letter from the Secretary of War, in which he stated that the order had been revoked. During the last discussion of the matter the gentleman from Texas [Mr. BLANTON] interrupted me and said this:

I want to commend the gentleman for getting this order of Gen. Buck out of the way, and I want to ask him if he would not go further and get the other regulation out of the way that makes a distinction between the private soldier and the officer in allowing the officer to give social attention to our nurses in uniform and forbidding the private soldiers to do likewise.

That statement of the gentleman from Texas excited laughter in the House, laughter of incredulity, and indeed I myself was inclined to smile at it because I did not dream that it had been well made or was founded upon actual facts. But I have to-day received a letter which is a verification of the statement made by the gentleman from Texas.

I received this morning an anonymous letter—of course all public men receive them occasionally, usually they are abusive—but we know they are from cowards and we pay no attention to them. But this letter was written on the stationery of the Y. M. C. A. at Camp Gordon and was signed "A Committee of Soldiers," and though no names were signed to it I know they were not cowards, for I understand why they could not sign their names. I am going to read it to the House:

CAMP GORDON, GA., February 9, 1919.

Hon. GEORGE HUDDLESTON, M. C.,
Washington, D. C.

DEAR SIR: Your speech of January 28, rapping at the system of caste in the Army, is certainly to the point and at the right time.

At present down here in Camp Gordon there is an order to the same effect, issued by the colonel commanding the base hospital, stating that nurses (female) are not to speak to enlisted men.

If only some more Members of Congress would only keep up the good work that you are doing to eliminate the caste system from the Army. It is no wonder there is Bolshevism in this world—it was just that same caste that caused a revolution in Russia. The only way to keep the soldiers from becoming socialists is to do away with that caste.

Your good work in Congress is certainly appreciated by the soldiers; a few more men with your good judgment would certainly help the soldiers.

Respectfully, yours,

A COMMITTEE OF SOLDIERS.

Mr. Chairman, I can understand how soldiers would not care to write even to a Member of Congress a letter to the slightest degree reflecting upon the officer class, particularly their own commanding officer, because we all know well what would happen to those soldiers had they signed their names and the matter become known to the commanding officer. It is a shame to the spirit of our Army and violative of true American ideals that brave men serving their country as soldiers should be forced to resort to anonymous letters in order to present their grievances. But we all know what the situation is. These soldiers did not dare to sign their names.

This letter verifies the statement made by the gentleman from Texas, the other day, and I believe such an order has been posted at Camp Gordon. I am hoping that if it is not true the Army authorities will take occasion to deny that, as they did the statement of the order at Camp McArthur. This is a very trifling matter in itself; it amounts to little, as I said the other day, but it bespeaks the spirit of the Army. Now, we know that the private soldier is just as much a gentleman as the officer—a gentleman in the true sense of the word—as brave, kind, self-sacrificing, and true, for those are the qualities of the real gentleman. We all know that these nurses could well afford to associate with enlisted men, and we all know that the reason for this order is the contamination which it was feared that these women would suffer from such association—was “social” contamination, so that thereafter they would not be good enough for the officers to mix with socially. The purpose of the order was to build up a wall around them and say to the enlisted men, “This is our private preserve, you shall not trespass thereon.”

It is a part of patriotism not to indulge in time of war in general criticism of our Army, but even in time of war just and proper criticism, which will raise its standards and will give to it a higher morale, certainly would be justified. But let us remember that the war is over and this is in time of peace. There is nothing sacred about the Army. It is merely one of the institutions of our country. Of course, I know the militarists would like, even in times of peace, to have us bow our faces in the dust as the Army goes by, and to salute a man wearing straps on his shoulders with reverence and awe. That is the spirit. But that is no part for the patriot. It is rather a part for another individual whom I do not like to name in this House.

But now is a time of peace, and it seems to me we ought to correct these evils that we recognize as being in our Army. A strange thing about it is that those who seem to desire that the Army shall be regarded as sacro sanct, and that a man should reverently take off his hat when he goes into its presence, have

little respect for some of our other institutions. That class has no respect for Congress. They have not even respected Congress while the war was on. They have not feared they would break down the morale of Congress, but more than ever have they taken advantage of the opportunity to point out the faults and the mistakes of Congress and its Members. Congress certainly is higher and should be more exempt from criticism than the Army. We are here as the representatives of the American people, chosen by their suffrage and have some small dignity because of our representative capacity. But the Army has no such position. It is merely a collection of individuals brought together for a certain purpose, and in time of peace its duties are not nearly so important as the duties of many other people.

I would rather have respect for the great army of American workmen, going each day with the rising of the sun, with a little tin bucket in their hands, to do a day's honest work, and to bring home some wages to feed their wives and children—I would rather look upon the labor of America as a great and worthy institution before which every patriotic citizen would take off his hat and bow in respect. I would rather regard any class of people, following any kind of peaceful occupation, producing something, doing something that is worth while, going to and fro in the world, engaged in commerce, in the practice of a profession, in doing something that is useful to mankind, or which adds to the beauty or welfare of the world—I would rather regard any of those occupations with respect than the soldier's occupation in time of peace.

Let us lay aside any thought that we may have that the Army is above criticism. It is not. Whether soldiers are generals or privates, they are men like you and me. Many of the officers are engaged in the business merely as a profession, which is a loafing job in time of peace, as it might be considered, not doing anything useful, except perhaps giving a little of their time to fitting themselves for a duty that may never come and can come only when our Nation is in danger.

February 14, 1919.

ON THE ARMY APPROPRIATION BILL.

Mr. HUDDLESTON. Mr. Chairman, I want to vote for every dollar that it takes to pay and maintain the soldiers that we have now in Europe and to bring them home. I would like to express the desire that they be brought home as quickly as ships can be provided to bring them. I want to vote to look after those soldiers and take care of them in every way that is desirable, if I am given a chance, but I do not seem to be given a chance under this bill. A cloud of words have been emitted on that point, but I do not think very much can be gathered from what has been said; at least, it is not binding on the War Department. We have got to look at the bill, to find out what the money is going to be used for, and I am unable to learn from the bill that a single dollar that is appropriated by it is going to pay and maintain our soldiers that are now in Europe.

Now, what are the circumstances under which the bill is drawn? The War Department is asked to estimate for 500,000 men and the necessary officers. This is the new Army that the department desires—the Volunteer Army which they say is to take the place of our boys in Europe. They are asked to make an estimate for this Volunteer Army of 500,000 men, and they go out and they bring in these figures that we have in this bill. And that is all they have estimated for. It is all they had in calculation; it is what the money will be spent for, and that is absolutely everything that there is to it.

As the gentleman from Illinois [Mr. MANN] well says, we must assume that the War Department will do the thing that we are instructing and authorizing them to do by this bill, and that is to proceed to enlist an Army of 500,000 men under the volunteer system. And if they do that thing they will consume every dollar carried by this bill in taking care of that Army, and there will not be a dollar left to take care of our soldiers in Europe. If they do not do that thing, they will evidently

do all they can toward it, and will enlist a greater or smaller number—how many I can not tell, and nobody else can. We do know, whether they enlist anybody or not, that we will have 1,200,000 men in Europe at the beginning of the next fiscal year. Only 270,000 soldiers have been brought home since the armistice was signed, over three months ago; and we also know that, proceeding as they have in the past, they will not bring back more than 100,000 to 150,000 men each month hereafter. The average up to this time is not 100,000 a month. That is my understanding. I noticed last month that it was less than 100,000.

Now, if they bring back 150,000 a month it is going to take them eight months to bring back the soldiers we will have over there on July 1, without regard to any more, and it will take an average of two months longer to discharge them out of service. So it will be 10 months that some of these men are going to be in service, without any regard to the new Army.

Mr. HULL of Iowa. Does the gentleman know the expectation is that the largest proportion of these enlistments of 500,000 men will come from the men that are at present in Europe, and therefore we simply take and put them in another place?

Mr. HUDDLESTON. Whose expectation is that? It certainly is not mine. I do not think anybody who knows much about the feeling of the boys in Europe, and reads the letters the boys are writing back from over there, that knows the sentiments of the people at home, of the fathers, mothers, and wives that have been bereft during this year and a half—I do not think anybody that understands those sentiments can have any such absurd expectation.

Mr. HULL of Iowa. You want to get the boys back?

Mr. HUDDLESTON. I do, and I want to say to the gentleman that these boys will not reenlist in Europe. It may be if you bring them back here and let them go home and stay a while and see the folks, and when they stay around a while and see that they can not get jobs, as I very much fear they can not, a good many of them will go back in the Army. But the gentleman should not indulge the foolish expectation that

these boys, homesick as they are, clamoring to get back, as they are, wanting to see father and mother and sweetheart here in America, do not let anybody cherish the foolish expectation that they are going to consent for the pittance of a soldier's pay to stay longer in Europe to police the Rhine, or go into Russia, or on some other wild goose chase.

If any man entertains such an expectation, it is time for him to wake up. What have you been taking, gentlemen? What have you been smoking? [Laughter.] Wake up, gentlemen. If you have any such idea, you are in an unnatural sleep, such as would indicate that you have been taking something. [Laughter and applause.]

Mr. DYER. Does the gentleman believe that by this provision a year's voluntary enlistment is meant, or a year more of conscripted service of the soldiers in France?

Mr. HUDDLESTON. I believe that the Army authorities want to conscript the boys in Europe, to make them stay a year longer.

Mr. DYER. I think the gentleman is right.

Mr. HUDDLESTON. I think there is considerable sentiment in certain militarist circles in this country backing up that proposition, and I think it is time for it to be uncovered here in this House. I want to say to you, gentlemen, that if there is such an idea, the plain people of the United States, the fathers and mothers of the boys, are not going to tolerate it.

RUNNING FOR CONGRESS

ADDRESS

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

MARCH 3, 1919



WASHINGTON
1919

108256—10357



ADDRESS
OF
HON. GEORGE HUDDLESTON,

RUNNING FOR CONGRESS.

Two contemptible characters in evidence during our war with Germany were the profiteer and the patrioteer. Sometimes both were combined in the same individual. The patrioteer was the worst of the two. The profiteer took advantage of his country's peril to satisfy his greed for money, while that patrioteer with shameless hypocrisy wrapped himself in the flag and pursued his base and selfish ends under the pretense of patriotism.

The patrioteer showed himself in his most despicable guise when he laid his hand on public affairs, and particularly in the field of politics. There he showed that no act of treachery, no low political trick, no contemptible deception, no dishonest method was too base for him to resort to. Never patriotic, never willing to make any sacrifice for his country, never able to comprehend devotion to public duty or steadfast adherence to principle, he posed as a model of civic virtue and had the brazen impudence to hold himself up as an example of what a patriotic citizen should be. As in the fields of trade and industry the profiteer found his opportunity, so did the war afford the patrioteer a chance to glut old hatreds and to destroy faithful public servants whom he could not bend to his selfish purposes.

I speak of these things feelingly. They have a personal meaning to me. I was confronted with both patrioteer and profiteer in my race for Congress in the fall of 1918. I was the object of their desperate attacks. They committed themselves without reservation to the attempt to destroy me. The purpose of these remarks is to relate the story of that campaign.

THE NINTH DISTRICT OF ALABAMA.

The ninth district of Alabama, which I have had the honor to represent in Congress for the past four years, is composed of a single county, Jefferson. It comprises the heart of the mineral and industrial district of my State.

The population of Jefferson County is 300,000, of whom 180,000 are white. Only 3 per cent of the population is foreign born. The county contains two cities, Birmingham, with a population of 200,000, and Bessemer, with 18,000, besides several small towns and a number of mining villages. Only about 3,000 men are engaged in farming. Some 18,000 are coal and iron miners. There are important iron and steel works and numerous railroads, with perhaps 7,500 employees.

Jefferson County is the seat of the operations of several subsidiaries of the United States Steel Corporation and of six or eight other great industrial and mining concerns. There are

some 50 coal-mining companies operating in the county. Roughly speaking, three-fourths of the population are connected with corporations engaged in steel and iron works and the production of coal and coke and in railroading.

Naturally the business life of the community is dominated by the half dozen great steel, iron, and coal companies. Their favor means success to a financial or business interest and therefore is eagerly sought. So influential are these great concerns that they play an important part in the social and political life of the community. The political almoner of these great interests is the head of a large mining company. He does not pretend to be a Democrat, but his support is said to usually control a Democratic nomination when he chooses to exert himself.

The voting population of my district is only about 17,500. Due to the absence of our soldiers and war workers, the number was reduced to less than 15,000. The interest in the primary of August 13, 1918, was intense, yet only 12,847 votes were polled. The legal voters are so few because of the ill-liberal election laws of Alabama, which carry the cumulative poll-tax payment requirement and other harsh features which make it difficult for voters to qualify. The negro vote is negligible, numbering only about 300.

The chief interest in politics in my district is in the Democratic primary. In this nearly all voters participate. No interest is taken in the general election, and the vote is trifling unless something of unusual interest is involved.

Birmingham has three daily newspapers, with combined circulation of about 115,000; a good labor weekly with limited circulation, and two or three other small weeklies. Bessemer has a live weekly which constitutes an important influence in that section of the community.

A CLASS FIGHT.

In its controlling features the campaign for the Democratic nomination for Congress became finally a fight of classes. I was opposed from the beginning by the big interests, which were soon able to enlist the help of the financiers and larger business men, and through them the chamber of commerce and certain other civic bodies, though, of course, their members were not unanimous. These powerful influences soon contrived to array the great majority of those who consider themselves better than common people, and their parasites of lawyers, preachers, and other professionals. "Society" was agog over the contest. All the climbers damned me vociferously, and it soon came to the point where the social standing of anyone who would admit that he was my friend was jeopardized. My name was anathema at card and social clubs. Even the banks where I kept my deposits went into politics to fight me; they had larger depositors who were on the other side. The backbone of my opposition was the Coal Operators' Association, a hide-bound and powerful interest, the bitter enemy of which I had incurred.

Thus it came to pass that I was opposed by the unanimous daily press, the bankers, the big employers of labor, the clubs, "society," and all those who hang onto the coattails of the classes and crave their smiles. There were also those who had never been patriotic before, but had been goaded into it by the war fever, and were so maddened by the unaccustomed sensa-

tion that they wanted to fight somebody, and found it safer and more convenient to charge at me than to fight our country's foes. Sundry wet-weather patriotic units went into the trenches; the chief of the local Vigilantes tried to put his organization into the fight against me, and succeeded with a majority of his associates.

Of course, some excellent men, men of high character and unquestionable patriotism, opposed me. Numbers of these were honestly misled by the false clamor that my opposition raised; others seriously differed in matters of important principle, and opposed me, as was their privilege. I bear no grudge against them.

On the other hand, at my back, standing like a stone wall, were the masses of the people—farmers, railroad employees, and wage earners generally. Also, I had on my side a large part of the small business element, together with a considerable number of men who were associated in one way or another with the classes opposing me but who could not be misled by false issues or bullied into voting against me.

SOUTH HIGHLANDS AGAINST ME.

This statement of the line-up of my friends and foes is not fanciful. It is borne out by an analysis of the vote cast. I received a plurality at every voting box in the county except the nine boxes of the wealthy South Highland district and three boxes of the aspiring Norwood neighborhood. This does not include the box at Bessie, a Sloss Co. mining village, controlled by that company, nor a Woodlawn box, where there was a tie. Out of 1,725 votes at straight farmer boxes I received all but 270; seven of these boxes I carried unanimously. Warrior, a combined mining and farming box, gave me 107, my two-opponents together 7; Inglenook, with its railroad employees, gave me 103, my opponents together 17; Wylam, a mining and working-class community, gave me 203, my opponents together 39; the four boxes of Pratt City, precinct 29, gave me 436, my opponents together received 129. At Ensley, North Birmingham, Elyton, and Avondale I received nearly 80 per cent. Out of 700 votes cast in Bessemer I received 520, my opponents together 180. At the seven South Highland boxes, extending from Glen Iris to Mountain Terrace, the exclusive residential section of Birmingham, and including the three Norwood boxes, where similar classes reside, I received only 499 votes, while my two opponents received 1,615.

These figures show clearly where the dividing line was drawn, but to one who was thoroughly acquainted with the community and knew what influences were at work, the class issue was more obvious, for always there are certain individuals who may be controlled by persons of wealth and prestige, and all such were practically unanimous against me.

The class issue was made by my opposition. The prime cause of the fight on me was that I had tried to represent all the people of my district. I had refused to be the handy man of powerful interests. I had opposed profiteering and, in general, the game that those who became my enemies were playing. I had tried to be a friend to the common man. I had shown an interest in his problems and tried to help him with his burdens. I had concerned myself with the interests of labor and given countenance to wage earners trying to better their condition. The

edict was that I must be destroyed. They filched the slogan "He shall not pass" and made it their watchword. The masses sensed this. They caught this meaning. I was being crucified because I was their friend. And they rallied; they stood by my side firm as men never stood before; they could not be bluffed, nor wheedled, nor intimidated, nor deceived. And my opposition, powerful and impudent as it was, cowered in humiliation and defeat.

ISSUES OF THE CAMPAIGN.

I announced my candidacy for renomination upon three definite planks: For paying for the war as far as possible by heavy taxes on war incomes and profits; against the adoption of a permanent system of compulsory military service; and against the conscription of labor as a war measure. The latter was a vital issue during the summer of 1918, as the matter was under consideration by the Government as has recently been disclosed. I sought to place my campaign upon a high plane of political principles. However, my opposition would have none of it. They ignored my tender of issues. They made no issue with me upon matters of principle, but based their opposition wholly on my personality.

Even before I took my seat as a Member of the Sixty-fifth Congress in March, 1917, my opposition was seeking an opening on some matter connected with the war. A strenuous effort was made by the News in March, 1917, to whip me into line as a servile administration man and from thenceforward every possible occasion was seized upon to place me in a position of antagonism to the President. The slightest variation of opinion on my part was magnified and distorted. When I was unable to accept as a whole any measure which could be credited to the administration I was summarily blasted as "fighting the President." My votes against conscription and the espionage act were represented as being due to hostility toward the administration; soon this misrepresentation degenerated into the false and shameless cry that I was "opposing the war." My vote in favor of the war was ignored, also my support of the bond issues and tax measures and my votes for every appropriation and other measures proposed for carrying on the war—all were ignored. I had voted against conscription and against the suppression of the constitutional rights of free speech and free press. No support that I could give to the war was of any worth in the eyes of my critics.

The charge that I was antagonistic to the President continued throughout the campaign and rose to a shriek near the end when the President intervened against me. His intervention gave color to the slanders of my critics, and after that nothing was heard except "Who are you for, Wilson or HUDDLESTON?"

Throughout the campaign, and especially toward its end, my opposition resorted to insinuations against my patriotism along with the slogan of "Wilson or HUDDLESTON." They raised the false and shameless cry, "America or Germany, which?" saying, by cowardly innuendo, that I was not loyal to my country—they gave no particulars; they offered no facts; they made no specific charge, but hid themselves in insinuations and innuendoes. They distorted my speeches, filled the newspapers with misleading advertisements, and seemed determined to destroy me by sheer audacity. The nature of the campaign carried on against

me created great public excitement and bitterness. My opposition resorted to every means to raise up hatred and prejudice against me. My friends believed that feeling had been so aroused by the attacks that my life was not safe. Threats of personal violence upon me were frequent. Looking backward I am reluctantly compelled to believe that the spirit in which I was opposed was consistent with violence had the opportunity been found.

IT WAS PERSECUTION.

As may well be believed, my friends and supporters soon came to regard the fight on me as nothing short of persecution. The hatred unleashed at my throat actually had the effect to create sentiment in my favor. The intemperance and unfairness of my opposition and the dastard tactics resorted to solidified my friends and roused them to resentment. At the beginning they had been timid and apologetic, but soon saw that something harsher was required, and at the close their indignation reached the boiling point, and they were as aggressive in fighting for me as my opposition was against me. Early in the campaign my friends sought to avoid personalities and to give their support upon a high plane, but later, aroused to wrath by the threats and bullying of my opposition, they gave themselves without stint. They served notice on the bullies of the opposition of stern retaliation if a hair of my head was harmed.

Fired by the vicious methods of my opposition, the latter days of the campaign were filled with feverish excitement. There was street-corner speaking, streets crowded with excited partisans, frequent hard words, fist fights, several near riots, and strife on a large scale narrowly averted.

In retrospect my renomination in a large way signified an expression of confidence and approval on the part of my supporters, the vindication of my integrity and patriotism, and the faith of my constituents that I had done and would continue to do what I considered best for the public welfare in the discharge of my duties. The result was also a rebuke to the despicable methods which had been used by my opposition. It was notice that a faithful public servant should not be destroyed by organized and powerful interests inspired by motives of selfishness. It was an assertion of the right of the plain people, of the majority, to rule and to choose as their Representative one who had shown himself their friend and in whom they had confidence.

FOUL CAMPAIGN METHODS.

The campaign methods of my opposition were unspeakable. Every low political scheme was made use of; every trick and possible deception and subterfuge were resorted to. There was bullying and intimidation wherever it could be practiced, and wheedling, deceit, and appeals to class interests and prejudices when deemed effective. Money was used lavishly, but so far as I have learned there was no direct corruption. Happily, that is not effective in my district.

It is hard to say when the campaign began. In fact, it has gone on ever since I first took a seat in Congress. Every opportunity for unfair criticism was seized. I was ignored when it was possible to do so, and at all other times belittled and ridiculed. Selfish interests never sleep; they can not be placated nor won over by faithful public service.

As the foreign situation became more acute the effort to line me up as an opponent of the President's policies seemed my opposition's best hope for success. My opposition seized it as an opportunity; they foresaw that I would not be a servile follower of the administration; they hoped to take advantage of that characteristic. Even before war against Germany was declared any of my expressions which could be construed as differing from the President's views were made much of. Trifling differences of opinion were grossly magnified. In March, 1917, a strenuous effort was made under the patronage of the News to organize a movement to coerce me into servility toward the administration. Under patriotic pretenses petitions were circulated binding the signers to stand by the President. This was well understood as being aimed at me. On Flag Day in 1917 a great patriotic demonstration was organized. It culminated in the passage of a cut-and-dried resolution sprung upon the unsuspecting assemblage demanding that I vote for conscription. This was followed up by hectoring articles in the dailies threatening me if I failed to do so. My views on conscription were well known. It was not expected that I would knuckle under to the bullying. My opposition no doubt hoped that I would not and expected therewith to destroy me.

The gross exaggeration of my failure to agree with the administration on conscription and the espionage act continued and finally took on the sinister aspect of innuendoes against my patriotism. The cavilling continued in the press and out of it. During the fall and spring of 1917-18 a frantic effort was made to find someone to run against me at the approaching election. Committees went to everyone supposed to have political strength and offered their support. The daily papers, unanimous against me, took turns in nominating opposing candidates. The politicians, however, were wary. They realized my wide personal acquaintance and that I had the confidence of the masses and were loath to enter. Numbers of very good men would gladly have come to Congress. Most of them were afraid to try for it.

POLITICAL CONSPIRACY.

Finally, by one means and another, five opponents of greater or less following were brought into the field against me. The next play of my opposition was to combine on the strongest of my opponents and to induce the others to withdraw. The candidates were induced by fair means or foul to submit to that process of elimination. Three of them were thereupon ruled out, leaving two remaining. This scheme of my opposition calls for explanation. The laws of Alabama governing primary elections require that the nominee receive a majority of all votes cast irrespective of the number of candidates and provide for first and second choice votes, optional with the voter. Where no candidate receives a majority the nomination is given to the candidate having the greatest number of first and second choice votes combined. Two opponents were chosen to run against me with the agreement that the supporters of each should vote for the other as second choice. It was expected that my supporters, since they could not vote for me on both first and second choice, would give their second choice to one of my opponents. This fine plot was designed to result in the nomination of one of my opponents, it being recognized that

neither of them could hope to get a majority of first-choice votes. It was typical of the ethics of my opposition.

The two candidates selected to remain in the field against me were F. M. Jackson, a capitalist and manufacturer, and A. J. Dickinson, a Baptist minister. The former was chosen to win. He was prominent in business and financial circles and had been an active prohibition leader. He was to be supported by the solid financial and large business elements and was expected to control a substantial following on the outside. Dr. Dickinson was selected as a decoy for votes which might otherwise go to me. He was known to hold progressive political views and to be popular with his denomination. Also he was an active leader in an anti-Catholic movement, which was strong with the farming people and with the smaller business and middle-class elements, and had influential political affiliations. It was expected that each of my opponents would organize their strength so as to deliver their second choice votes in a block to the other. In fact, such was the actual result, as I received only a total of 100 second choice votes from their supporters. An effort was made to deceive voters into thinking that first choice votes would be thrown out as illegal if no second choice was voted. The deception failed; few of my supporters voted for a second choice.

The schemes and plots of my opposition were in vain. The total vote cast was 12,847, of which I received 7,650, Jackson 3,134, Dickinson 2,063; my vote was substantially 60 per cent of the total, while my opponents divided 40 per cent between them. But for the President's intervention I do not doubt I would have received from 75 to 85 per cent of the total vote.

"THE ALLIED ARMIES."

The business organizations of my city, except the civic association, are under the domination of the big interests and larger business men. These bodies were largely in control of liberty-bond sales and other war subscriptions. A so-called "allied armies" was organized to conduct this work. This organization did good work in its proper field, but being largely dominated by the class opposing me, it was put into politics against me. I subscribed liberally to every bond issue, but this was not due to the organization. It ignored me completely. All my subscriptions were offered voluntarily. Never at any time was I asked by any representative of the organization to subscribe. Usually my subscriptions passed unnoticed. I was not permitted to take part in this war work. I was never invited to make a speech in my home city in behalf of bond sales or other war work. This in face of the fact that I had voted for every bond issue, subscribed for every issue, and had supported the work in every way to the best of my ability.

In May, 1918, I took occasion in the House to advocate higher taxes on war profits and incomes, and to say that while I would vote for the loan then proposed, I was unwilling to continue to vote for bonds unless heavier taxes were laid. My opposition considered the time ripe to launch their campaign against me. Simultaneously, and evidently by prearrangement, they sprang at my throat. Each of the three dailies denounced me. The News called me Socialist and insinuated pro-Germanism. The Age-Herald characterized me as a Bolshevik and deliberately lied about my position on financing the war. The "allied

armies," at a meeting held to promote the loan passed a cut-and-dried resolution offered by the Republican agent of a big New York insurance company, misstating my position and charging me with misrepresenting my constituency. The Ledger clamored for my elimination from Congress. The great offensive had begun. Agents of the big interests, parasites, and sycophants, Tray, Blanch, and Sweetheart, all took up the cry.

Many of my friends thought I was done for—no official had ever faced such a storm in my city—naturally they were discouraged. Numbers of those who stood firm and continued to defend me were visited by influential citizens and advised that agents of the Department of Justice were watching them and they had better be quiet.

But I was unafraid—foolhardiness it was called—but I trusted the people. I had faith that justice would be done. A brave few rallied to my rescue. They organized, took up the fight, defended me at public meetings called for that purpose, encouraged the timid and explained the situation to the unthinking. The unbluffable element stood firm from the first. Old-fashioned Americans of revolutionary stock, they let it be known at once where they stood. Various progressive elements asserted themselves. The forces of labor were active and after a few weeks it began to be seen that the great majority were on my side.

PATRIOTEERS IN ACTION.

In desperation a falsely named "Jefferson County Patriotic League" was organized by my opposition. Its expressed purpose was to defeat me for Congress. It had a skeleton of officers, but its membership was unrevealed. It spent money lavishly—where the money came from was not disclosed. It went into the press with an advertising campaign of false insinuations and lying and insulting innuendoes. No one accepted responsibility for its dirty work. During the last few days of the campaign this base and anonymous organization spent over \$3,000 against me. This appears in the sworn affidavit by one of its officers. Who furnished this money?

There was no need for my opposition to spend money advertising. The dailies gave free all the space that might have been desired. The Age-Herald was especially vicious and dishonest. It carried almost daily slanderous and deceitful cartoons and reading matter against me. The hatred and spleen of these cartoons were tempered only by their utter stupidity. I was shown as a Bolshevik refusing to support the Government; as the protector of a German anarchist exploding a bomb under a munitions plant; as a pigny trying to hold back a giant Wilson going about the affairs of the Nation; as an anarchist overturning the Statue of Liberty with the Kaiser applauding; as playing with the rattle of socialism as our soldiers marched by on their way "over there"; and as casting reflections upon our fighting forces. On Sunday after the President's telegram was issued a large picture of the President was shown with an assassin's hand about to stab him in the back. Of course, I was not named in this picture. The paper was too cowardly for that, but everyone understood what was implied.

There was no pretense of fairness on the part of either of the dailies. Columns were given to accounts of small meetings of my opponents. No notice was taken of important gatherings

of my friends. Space was given to any cheap notoriety seeker who wished to denounce me. They made a distinct effort to connect the Department of Justice with my opposition. I regret to relate that no public discouragement of this effort was given by anyone connected with the department. An attorney connected with the department wrote and spoke against me. Always the papers quoted him as an official. The matter was brought to the Attorney General's attention but no public disclaimer was issued. An agent of the department used the color of his office in an effort to intimidate my friends. He is still in service and unrebuked so far as I know, although the facts were presented to the department by a formal complaint.

My opposition did not hesitate to desecrate the Sabbath itself. On Sunday before the election the regular Birmingham "community singing," attended by several thousand persons, was perverted by those in charge into what they called "a patriotic meeting." Speakers of my opposition exhibited an immense picture of the President and urged the people to stand by him. Programs were distributed carrying the President's telegram against me.

THE CRUELEST LIE.

Of all the falsehoods used by my opposition in the desperate effort to defeat me the cruelest was that I had not been the friend of the soldiers. I had served as a private soldier myself and had borne some of the hardships that the enlisted man must suffer, but that they dismissed as of no account. My vote against conscription they twisted into lack of regard for men in service. The arguments which I had made in favor of the volunteer system they distorted as showing lack of respect for men forced into service. I stood pledged to vote for every measure which might improve the soldier's lot, better his equipment, increase his supplies, and care for his loved ones at home, but that they ignored. I had fought for free postage and better facilities for soldiers' mail; I had led the fight in behalf of equality of enlisted men with officers under the insurance and allotment laws; I had tried in many ways to help the soldier and better his pay and conditions—all they ignored.

I had helped thousands of soldiers' families to get their allotments, but my opposition counted it as nothing. They quoted isolated sentences from speeches made before the war, in which I criticized West Point and Annapolis and social caste in the Army as undemocratic, and tried to twist them into something unfriendly toward soldiers generally. They deliberately lied in charging that I had opposed the increase in the soldier's pay to \$30, when, in fact, I had voted for the increase and had advocated an increase to \$50. My sympathy for men in the ranks and desire to help them they willfully construed as insulting.

The desperate crew opposing me ransacked their silly brains to find something in my life which they might criticize. Nothing was too silly or too mean for them to try to use. They even descended to exaggerating the value of the property I had managed to accumulate by a lifetime of thrift and saving. With all their sifting the harpies could find no stain upon my integrity or moral character. With all my 20 years' active practice as a lawyer they could find no client who would say that he had been overcharged and no adversary who would claim that I had been unfair. They could find no one who I had overreached in business.

MY WELCOME HOME.

My duties detained me in Washington until a few days before the primary. I carried on my campaign as best I could; the great bulk of the work was done by the faithful friends composing my campaign committee, aided by a great number of others who were interested in my behalf. I went home a few days before the election. I planned to reach Birmingham at 7.30 on Thursday evening before the primary on the following Tuesday. My committee advertised my coming and arranged to meet me at the station and to hold a meeting subsequently in Capitol Park.

My train was late. It stalled on a hill 10 miles out. It has been charged that my enemies had soaped the track. A sworn statement to that effect was handed my chairman. I do not know what the facts were, except that the train was delayed for three hours. With the delay I had expected to get home unwelcomed and to find that the meeting had dispersed. But I did not understand. My train drew into the station; a dozen engineers pulled their throttles wide open. The train stopped; I alighted. All was noise and confusion. A multitude of torches were burning and cheers of welcome came from thousands of friendly throats. A crowd of friends swarmed through the station gates and over the tracks. I was their prisoner. A chair with carrying poles had been provided by the men from the railroad shops. I was placed in it willy-nilly. Sturdy shoulders bore me out. A procession was formed with a brass band playing in front, and down Fifth Avenue toward the park a cheering crowd of thousands surged, flags flying, torches burning. The scene was indescribable and unprecedented.

At the park another great crowd had assembled. With enthusiasm unabated they had waited for my coming until 11 p. m. Eight thousand chairs were filled, acres of people were standing. The assemblage was estimated at over 15,000 persons.

I spoke for 40 minutes. I was embarrassed for having been carried on the shoulders of my friends. I apologized for it, saying that I realized that the tribute of the welcome I had received was not called forth by any quality of my own, but was in fact merely an evidence of the sense of justice of my supporters, who realized that I was being persecuted because I was their friend and that they had carried out the demonstration to show that they did not intend to allow the wolves that were snarling at my heels to drag me down. The vast audience shook with excitement and enthusiasm. My lightest remarks were wildly applauded. The occasion was an overwhelming exhibition of the determination of my supporters.

At the close of my speech I shook hands with thousands of my friends. It was 1 o'clock when I reached my hotel. A dozen strong-armed friends stuck close to the very last. I did not understand at the time. They feared I would be assassinated.

THE PRESIDENT'S INTERVENTION.

The great welcome given me on my return home filled my opposition with dismay. The hope to defeat me went glimmering. They realized that the single chance remaining was to induce the President to interfere. Previous efforts of my opposition to entangle him in my campaign had failed. Made desperate by the welcome given me, they roused to a final effort.

Various telegrams were sent to the President. I have been unable to learn definitely what statements they made. I do know that false statements as to my attitude were made. The President was basely deceived. However, the foul tactics of my opposition prevailed—the intervention came.

About 5 o'clock on the day following my return home the newsboys cried an extra, "President denounces HUDDLESTON." The President's telegram had just been received. It was addressed to Glass, editor of the News, who gave it to the public first in an extra of his own paper. Under a scare head on the front page, "Stand by the President," with his picture, almost life-size, the message was printed:

FRANK P. GLASS,
Birmingham, Ala.:

Your message received. I do not feel at liberty to make any discrimination between candidates equally loyal, but think I am justified in saying that Mr. HUDDLESTON's record proves him in every way an opponent to the administration.

WOODROW WILSON.

The message was followed in big type by—

A vote for HUDDLESTON is a repudiation of President Wilson and his administration. A vote against HUDDLESTON is an indorsement of President Wilson and his administration.

The telegram was the sensation of the hour. The extra edition of the News was sold quickly. Men gathered in excited knots to discuss the latest news. All was confusion and uncertainty. The President of the Nation had spoken. He had in substance expressed his will that a Member of Congress should be defeated for reelection. Men wondered what would be the result.

I had an engagement to speak that night in the city park at Bessemer. On reaching the appointed place I found an audience of about 6,000 gathered. No such assemblage had ever before gathered in that young city. I spoke for over an hour, relating what I had done in the performance of my official duties and telling of the fight being made against me. I read the President's telegram—many of the audience had not heard of it. I explained what my attitude in Congress had been, and charged that the President had been misled by false friends into sending the telegram. My speech was enthusiastically received. At its conclusion some one in the audience handed up to the chairman a resolution:

We, 2,000 voters in mass meeting assembled at Bessemer, Ala., do hereby resolve as follows:

That we have the greatest confidence, respect, and love for our great President, the Hon. Woodrow Wilson; that we are with him and will continue to support him in this great hour of our Nation's great trial to a final victory. That we have the greatest respect, love, and confidence in our Congressman, the Hon. GEORGE HUDDLESTON; that we are with him; that we do hereby express our confidence in him. Be it further

Resolved, That the chairman of this meeting is hereby instructed to wire a copy of these resolutions to our great and beloved President, the Hon. Woodrow Wilson.

The chairman read it to the assemblage and it was adopted with a unanimous shout.

Of course, I was amazed by the President's intervention. I did not know how the people would accept it. I resolved from the first instant that it should not alter my course; but I knew that my constituents are among the most loyal and devoted people in America, and I could not foresee just what they would consider to be their duty under the circumstances. The recep-

tion of my speech and the adoption of the resolution left no doubt on that point. I knew that my renomination was assured.

The following day—Saturday—was spent by my opposition in a strenuous effort to stampede my supporters. The dailies tried to bully me into withdrawing from the contest and printed statements from the weak-kneed few of my supporters who could be induced to say that they had been changed by the President's telegram. Committees of prominent business men went up and down the streets trying to intimidate my friends; smaller business men were threatened with boycott if they continued to support me; hectoring, bullying, and shameless lying were freely indulged. The timid and wabbly, the neutrals, and undecided went over to my opposition. Perhaps I lost 15 to 20 per cent of my strength by reason of the President's intervention; but the bulk of my friends stood like iron and took even a more aggressive position than they had occupied. That night I spoke in Ensley to an enthusiastic audience, reduced in numbers because the meeting was in the open air and it was raining.

Monday, the final day before the election, was filled with excitement. The streets were crowded; interest reached to fever heat; happily disorder of more than a minor nature was averted. On Monday night we held a final meeting at Capitol Park in Birmingham. Again the enthusiasm was at the boiling point; more than 15,000 were assembled; the scene was indescribable. My friends had come from the remote parts of the county to show their interest. It was obvious that my opposition had failed, that the President's message had not turned the tide, and that it was merely a question of my majority.

REASONS FOR INTERVENTION.

The real reasons which impelled the President to intervene in the campaign in my district I can not surmise. My efforts to learn them have been without effect. On Saturday morning after his telegram was sent I wired him, stating that my friends believed that his intervention had been procured by misrepresentations and asked as an act of justice to my constituents and to me that he disclose the representations which induced him to send the telegram. I received no reply until late on the afternoon of election day, when a message came from the President saying that he wished to do no injustice and that he desired that my constituents should judge me by my record. This was the only satisfaction I got. It came too late to be of service.

A few days later a newspaper writer issued a syndicated article, purporting to be inspired, which undertook to explain the causes which led the President to intervene in several campaigns. By that article I was inferentially charged with being a "reactionary southern politician," with having in my committee tied up important legislation, and with hypocrisy in pretending to my constituents that I had been an administration supporter. This article merely added insult to injury.

Of course every Member of the House knows that I had not been an opponent to the administration. I had voted against conscription, the espionage law, and two or three other minor so-called administration measures. I had voted for more than 100 administration measures in support of the war. Every

member of my committee knows that I have never in the least obstructed administration measures before it, but have usually supported them.

I had stated my position frankly to my constituents. I had issued a formal campaign speech and sent a copy to each voter in my district, saying on this point:

Of the dozens of measures relating to the war, either directly or indirectly, in only three have I voted against what was reported as the judgment of officers of the administration. Those three are the conscription bill, the espionage bill, and the explosives bill. I challenge my critics to show to the contrary. I have been willing to vote for every soldier, every ship, and every dollar needed to carry on the war.

I will be frank. I have voted for the measure proposed, not because some officer of the administration advised it but because they met the approval of my judgment. I have not been a rubber-stamp Congressman, but have tried to weigh patriotically every measure presented and to vote for the best interest of my country. It is I who am Congressman. It is I who took the oath of office. It is I who must face my conscience and my Maker. And always I have felt that I must make the final decision for myself. For this frame of mind I offer no man an apology.

In view of the indisputable facts, the conclusion is irresistible that the President did not intend his telegram to be accepted literally. It was to be taken merely as indicating his desire for my defeat. It is clear that he was brought to that decision by the powerful influences in and out of my district which were opposing me. I have no doubt that the President was basely deceived by pretended friends. My feeling on the subject was expressed in an interview which I gave on the morning after the election:

I do not accept the result as a rebuke to the President; it is instead a stern rebuke to the vindictive and unfair opposition. It is not wholly a personal tribute to me. I accept it as an evidence of the instinctive love of the great masses of the people for justice and the square deal. My constituents know that I have served them honestly and faithfully and that I am patriotic and devoted to duty. Such of them as think that I have made mistakes are ready to forgive them, realizing as they do that I am honest and try to be a true representative.

The President's intervention shall not incite me to antagonism. I shall show no petty spirit of revenge or opposition toward him. To the contrary, I shall continue to cooperate with him conscientiously in every effort to win the war and preserve American honor and interest.

I am conscious that I have been done a cruel injustice, but that consciousness has not and shall not in the least affect my official action.

THE AFTERMATH.

In my after-the-election interview, I said:

I am not puffed up by my success, but accept my victory in deep humility. It has been made possible by the loyalty and devotion of my friends.

I trust that the feeling created by the bitter and unfair attacks upon me will soon pass. I am anxious to be the representative of the whole people of my district and to work with all for its material interests consistently with the public welfare. I beg for the future a more friendly spirit of cooperation upon the part of the elements which have recently opposed me. I am praying that the methods which have characterized the campaign will never be repeated in my district.

My victory was complete. Despite the fact that I had two popular opponents who had the support of the daily papers and of the big business and financial interests, I received 60 per cent of the total vote. I was willing to let bygones be bygones. Not so my opposition. The daily papers accepted the result of the primary with exceedingly bad grace. The Ledger blamed it

on the bitter attacks which had been made on me; the News complained that the result was due to the weakness of my opponents; the Age-Herald called the result a "grievous mistake," and urged that preparations be made for the next campaign. There was growling, long and loud, among those who had sought to do me to political death.

The Republicans of my district thought to take advantage of the Democratic row. A cunning politician was nominated against me. He wheedled the Republican Congressional Committee out of \$1,000 for his campaign fund, and collected a considerable amount from captains of industry and my disgruntled opposition. He endeavored to take up the campaign against me where it had ended in the primary. His methods were, if anything, more unscrupulous than had been previously used. The Ledger and News were neutral. The Age-Herald encouraged my opponent and gave him columns of space in which to exploit himself. It was happy to give big headlines to my critics, no matter how petty and mean the criticism. Numbers of the big business men who had opposed me in the primary allowed their names to be used as a campaign committee for my Republican opponent. I paid no attention to their campaign, and did not spend a dollar in the election. The result was that, while the vote was quite light, my Republican opponent received only 14 per cent of the total. And thus this chapter ends.

This chapter ends with disaster to my opposition, but I do not assume that I am to have peace. I would gladly represent the big business interests along with the rest of my constituents, but I will not be their tool nor submit to their dictation. I will represent them only upon my own terms, which are that the rich and powerful must stand upon equal footing with the poor, and that the welfare of my country must be supreme. I will be the Congressman, and the final decision must be mine. I will guide my actions by the standards of patriotism and not of sordid dollar grabbing.

I do not expect my opposition to accept me on these terms. They will continue to assail me so long as there is hope for success. But I face them without fear in my soul. I will not flinch nor ask quarter. I will not be swerved. I will not be bullied out of public life by them. Their vicious political methods shall not drive me from office. When I go it will be from my own desire or because of the will of my people.

FOR THE DISCHARGE OF ENLISTED MEN OF THE
NAVY AND MARINES

SPEECHES

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

JUNE 13 AND 16, 1919



WASHINGTON
GOVERNMENT PRINTING OFFICE

1919

122766—19498

SPEECHES
OF
HON. GEORGE HUDDLESTON.

June 13, 1919.

The House in Committee of the Whole House on the state of the Union had under consideration the bill H. R. 5608, the naval appropriation bill.

Mr. HUDDLESTON. Mr. Chairman, this paragraph is clearly subject to a point of order. It is a change of existing law. It authorizes the retention of a certain enlisted strength in the Navy which the existing law does not authorize. After the passing of the present emergency, when peace is proclaimed, the enlisted personnel of the Navy must be reduced to a certain number, about 131,000 men. If this paragraph is left in the bill, peace having been proclaimed, the enlisted personnel need not be reduced to what the existing law requires. It need only be reduced to the figures given in this paragraph.

My purpose in reserving a point of order on this paragraph is to do all that in me lies to secure as quickly as possible the discharge of men who enlisted for the duration of the war or who enlisted during the war for a period of four years, that being the only way they could get themselves accepted. I am bent and determined on that, and in line with that I shall make the point of order to the paragraph, but not until I have expressed the views that I have on the subject.

Mr. Chairman, under the law as it now stands men who enlisted for the duration of the war will not, as a matter of law, be entitled to their discharges until peace is proclaimed. This bill, I am glad to say, extends that privilege, meager and insufficient as it is, to those who enlisted during the war under the only terms under which they would be accepted—that is, for four years. Technically and legally those men can yet be held in the Navy. They will be discharged only when peace is proclaimed.

When will peace be proclaimed? The treaty of peace has not yet been signed. I do not know, and nobody else knows, when it will be signed, or whether it will ever be signed. The indications are in some ways unfavorable. After the treaty has been signed it will be submitted to the Senate of the United States for approval. Who knows when it will be ratified? It is being criticized on every hand. A very determined and important element of the American people are bitterly dissatisfied with the treaty. Hardly anyone approves it in its entirety. That it will meet with bitter opposition in the Senate must be conceded. In all human probability it will be months before it will be finally acted upon in the Senate. It may never be ratified. Peace can be proclaimed only when that treaty is approved by the Senate, and that means that these boys who have enlisted for the duration of the war may be held in the Navy indefinitely, consistent with the terms of this bill.

I criticize this bill, and particularly this paragraph of it, because it contains nothing affirmative which will force those boys out of the Navy, which will insure to them an opportunity to go home to their folks. Seven long months have expired since a

state of real war existed. The armistice was signed on November 11. During these seven months we find that only about 230,000 of the enlisted men of the Navy have been discharged. We still have two hundred and seventy-odd thousand men in the service. Why, Mr. Chairman and gentlemen of the committee, it takes longer to discharge a man from the Navy than it does to enlist him. They are much slower about it, and they are going on and on in this slow process, holding men for the Navy's peace purposes who enlisted to fight for their country. Well, that is being done under the excuse of an emergency; that they need them to help bring the boys back from Europe. That has been a valid excuse up to this time, and will be for perhaps two months longer, but not beyond that time. Last month we brought home nearly 350,000 of our soldiers. At the same rate we will have all the men back from France, every man back upon his home shores, by the 1st of August. Then there will remain no emergency and no reason why these men should be held longer, and I insist that they be discharged, those who have enlisted for the emergency. It is a duty that we owe them. The faith of the American people is pledged to these boys who enlisted in the Navy for the duration of the war. This is our opportunity to redeem that pledge that we made.

Mr. KELLEY of Michigan. The gentleman said a while ago that he had not had a chance to read the bill. I think he will find the language he is looking for at the bottom of page 20 and the top of page 21.

Mr. HUDDLESTON. I explained just a moment ago that the "duration-of-the-war" privilege is to be extended by this bill to the four-year men who enlisted since the war began. That is not the issue at all. I am talking about the "duration-of-the-war men" as well as the others. Both of these classes of men have their rights, but they are not protected by this bill, but may be held under it until peace is finally proclaimed. That may be done within the terms fixed here.

Now, I do not insist on a summary turning out of these men and what might be called crippling the Navy. But I do insist on some provision being put in this bill that will let these men out when they have finished bringing our soldiers home from France, so that they may go home to their folks. They have the absolute moral right to do that, these boys who enlisted for the war, when the war is over and the emergency past. Of course, if we do not want to bring our soldiers home from France, then there is no need to keep these men in the transport service. If we do want to bring them home, we ought to go on and bring them home, and have them all back by the 1st of August. So let us not rest on that flimsy excuse for keeping the men in the Navy any longer.

Mr. BRITTEN. The gentleman is not really, serious, is he, when he suggests that if we want to bring our men home we ought to go over with transports and bring them back by August 1?

Mr. HUDDLESTON. I say if we want these boys home we can bring them home by August 1, and if we do not want them home there is no excuse for keeping the men in the Navy to bring them home.

Mr. BRITTEN. Experts say it is physically impossible to bring all the men home by August 1. What provision would the gentleman suggest to get them home?

Mr. HUDDLESTON. How many men have we over there? Will the gentleman answer that?

Mr. BRITTEN. I do not know.

Mr. HUDDLESTON. Then why does the gentleman venture an opinion based upon that fact? I will give the gentleman some information which may be of value to him later. I say that proceeding at the rate at which we are going now we can bring home every soldier by August 1. I do not want to argue that with the gentleman. I am making a statement of fact for his information.

Mr. BRITTEN. You are making a statement of guess now.

Mr. HUDDLESTON. I would prefer that some one said that who had some knowledge on the subject.

Now, Mr. Chairman, that excuse being gone, what are we keeping these men in the Navy for? We are keeping them there for naval purposes, for peace purposes, not as an incident to carrying on the war but to enable the Navy to man a vastly expanded fleet that has been assembled on account of the war. I am not willing to force men to remain in the service who enlisted to serve their country during the war, to serve a policy of the Navy, a peace policy which has no relation to the war.

Now, if I had it in my power to write into the bill a provision which would insure that as soon as the real emergency of bringing our soldiers home has passed every man who enlisted for the war only might go home discharged, I would not insist on the point of order. But I can not do it. I have only one way to assert myself. I have only one way in which I can insist upon the rights of these boys. I have only one time when I can come to their defense, and that time is now, and that way is the way I am doing. I insist that if the whole fleet should be dismantled as the result of my point of order, the fault would not lie with me but upon the committee, who have failed to bring in a fair measure to meet the situation.

I insist that the Navy go out and recruit the men for its peace program. I insist that it shall be on a peace basis. I insist that unfair advantage shall not be taken of the patriotism of the boys who went into the Navy to serve their country in time of war.

Mr. MASON. The gentleman has stated that the war is over. I see by the evening papers that the American forces are fighting in Russia. It may be that if we are to have war against Russia it will be necessary not only to keep the Army and the Navy that we have but to conscript more. Hadn't we better wait until after the Commander in Chief either inquires of the Congress whether we want war in Russia, and be prepared?

Mr. HUDDLESTON. I will say to the gentleman that the only duly constituted authority which may declare war against Russia is Congress, and I, for one, shall refuse to vote to keep in the Army or Navy any patriotic volunteer or conscripted man on account of the Russian situation. I say that we have whipped the enemy that we declared war against—Germany and Austria-Hungary—and the plain people at home want their boys brought back to the United States. We ought to get out of this muddy and dangerous European tangle and come back to our own shores. [Applause.] The people of America want that done, and with that patriotic desire of the people I am proud to be in hearty accord. I make the point of order, Mr. Chairman.

The point of order was overruled.

June 16, 1919.

Mr. HUDDLESTON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 65, after the amendment just adopted, insert as a new paragraph:

"Provided, That no moneys made available by this act shall be used in transporting or maintaining any enlisted man of the Navy or Marine Corps who enlisted between April 6, 1917, and November 11, 1918, who, without his consent, is retained in the service after September 1, 1919."

Mr. HUDDLESTON. Mr. Chairman, the amendment is proper, for two reasons: In the first place, it comes within the Holman rule, as the result, as we all know, will be a reduction of expenditures. In the next place, it is a limitation upon the expenditures made by this particular bill. It is clearly a proper limitation, and there are hundreds of precedents which will sustain it. It is in the customary and usual form, recognized as proper practice in this House for many, many years. I am not advised upon what ground it can be argued that a point of order can be maintained against it.

Mr. KELLEY of Michigan. As I understand the gentleman's amendment, it provides that certain persons now in the Navy shall be discharged prior to a certain time.

Mr. HUDDLESTON. No; it intends to force their discharge. That is the purpose of it. It forbids that they shall be maintained and transported. That is the purpose of the amendment in its technical statement and form.

Mr. KELLEY of Michigan. By a previous provision of the bill which we are now considering we have fixed the size of the Navy. If we let these men out, is not the gentleman increasing the expense, because others will have to come in and take their places and we will not only have to pay them but will have to pay their transportation and the expense of letting them out?

Mr. HUDDLESTON. The gentleman takes a peculiar position. He assumes that one paragraph of the bill is superior to another. That paragraph is not the law any more than this is. To say it is subject to a point of order because it is inconsistent with some other provision of the bill is, of course, absurd, if the gentleman will pardon my saying so.

Mr. KELLEY of Michigan. The gentleman was stating that it reduced expenses, and I was pointing out that it increases them.

Mr. HUDDLESTON. It reduces them, because it forbids the use of a part of this money for a certain purpose.

Mr. HUDDLESTON. Mr. Chairman, the war with Germany is over. The boys who enlisted to fight that war are entitled to be discharged. Their right to discharge is the highest kind of right; a moral right. It is true, that they may, under the technical terms of their enlistment, be detained in the service until peace is actually proclaimed, but that is taking a legal advantage of the patriotic instincts which caused these boys to enlist. The war with Germany is over. The task for which these boys enlisted has been terminated exactly in the way we wanted it terminated. Germany may sign the peace treaty or not, still the war is over. We may agree with our associates in

the war and with the other nations upon the terms of peace or not, as the case may be, and yet the war with Germany is over. The treaty as ultimately agreed on may be ratified by the Senate of the United States or not, according to their way of looking at it, but just the same the war with Germany is over. Germany is no more a naval power to-day than is Switzerland or Serbia or some other nation which has no fleet at all. She is absolutely helpless on the sea. It would not require a single submarine chaser to meet any occasion that might arise in connection with the German situation. Therefore the idea that these boys may still be retained in the service, I say, is violative of the moral consciousness of the Nation and of these boys themselves and I am free to say of my own.

The sailors and marines who enlisted for the duration of the war have been held seven months after the armistice was signed upon a theory that the war emergency still continued by the necessity of bringing our soldiers home. The work of bringing the soldiers home is about finished. We now have fewer than 700,000 soldiers in Europe, and proceeding at the rate we have for the past 30 days we will bring all the remainder home before August 1. When that is done, there is no longer the slightest excuse, no matter how flimsy, to keep the boys who enlisted in the Navy for the duration of the war still in the service. By my amendment the department is given 30 days after this work is finished in which to discharge them, this is ample time.

This amendment is not in conflict with the plans of the department. On page 20 of the recent committee hearings Mr. Secretary of the Navy Daniels himself said:

It is our purpose to give a discharge to everybody who enlisted for the duration of the war as soon as we have gotten the soldiers home.

So, as I say, this amendment is not at variance with the plans of the department. The department claims it is what they intend to do, anyway. They say they intend to let these boys out just as soon as they finish bringing the soldiers home, and that that work will be completed by August 1. I ask, What is the reason for not adopting this amendment and putting the provision in the bill?

I want to say that a good reason for putting it in the bill is that we owe the duty to these boys to redeem the pledge made them that the Government would deal in good faith with them and let them go as quick as the war emergency was over. This is the only time that Congress is going to have an opportunity to say anything on this subject. It is either for Congress to act now or let the Navy Department use its discretion and keep them there as long as they want to. Secretary Daniels may change his mind, as he has the right to do. He may decide for purely peace purposes of the Navy to keep these boys on longer. I venture to predict that they will not all be discharged by September 1; that they will not send all these boys home by the time mentioned in this amendment. I am not willing to leave this matter up in the air. I want to be sure that they are sent home. I ask Congress to come to the rescue of these boys, and to insure by the adoption of my amendment that they are sent home. This is a matter of right, and we ought to redeem our promises made to them.

The question was taken, and the amendment was rejected.

MINORS DISCHARGED AS "UNDESIRABLE."

June 13, 1919.

The Clerk read from the bill as follows:

Outfits on first enlistment: Outfits for all enlisted men and apprentice seamen of the Navy on first enlistment at not to exceed \$100 each; for civilian clothing not to exceed \$15 per man to men given discharges for bad conduct, undesirability, or inaptitude; in all, \$9,000,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word to inquire if the committee gave any consideration in the matter of these outfits for civilian clothing to the greatly increased cost of clothing in the market?

Mr. BUTLER. Men who have been discharged only for bad conduct, I will say to my friend. These are men who have been punished and are under punishment. They are released. But their offenses are not great offenses. Nevertheless, they are infractions of the law and regulations of the department. Their uniform is taken from them and civilian clothing given to them so that they may return to their homes. Fifteen dollars for a suit was considered enough.

Mr. WALSH. This is only for men who have been punished?

Mr. BUTLER. Yes; under charges for bad conduct.

Mr. HUDDLESTON. I rise for the purpose of calling the attention of the gentleman from Pennsylvania, the chairman of the Committee on Naval Affairs, to the fact that the classes of men named here may not mean necessarily those who have been punished or who have been guilty of misconduct. For instance, a boy 16 years of age who enlists in the Navy on representation that he is 18 years of age, without consent of his parents, is discharged as "undesirable." In other words, recruiting officers can go out and rope in a boy 16 years of age and take him off to some naval station, and when, in the course of his training, his mother begins to cry for him and brings his minority to the attention of the department, the discharge given that boy is as an "undesirable." I know of two cases of that kind which have occurred within the last few days. That is the kind of boy that it is proposed to send home to his mother in a \$15 civilian outfit. His parents have got to pay his transportation and maintenance home. That kind of boy we propose to send home with a \$15 suit of clothes, including a hat and a pair of shoes.

Mr. BRITTEN. I think the gentleman from Alabama is in error in his remarks.

Mr. HUDDLESTON. I trust the gentleman will not express a mere opinion on a subject concerning which I have actual knowledge. I have handled two cases of that kind within the last few days. I corresponded with the department yesterday about them, and I know what I am talking about.

Mr. BRITTEN. Is the uniform taken away from the boy?

Mr. HUDDLESTON. Yes.

Mr. BRITTEN. What is the character of his offense?

Mr. HUDDLESTON. Being only 16 years old and being roped in by a recruiting officer.

Mr. BRITTEN. Did he commit forgery when he enlisted?

Mr. HUDDLESTON. Oh, no. He was not punished—the Navy Department did not have the face to say to the boy that

he had committed a crime and ought to be put in jail for it, but simply discharged him as "undesirable."

I want to call this practice to the attention of the gentleman from Pennsylvania [Mr. BUTLER], so that he may know there is no mistake about it. That that is the kind of boys considered "undesirable," and to whom these \$15 suits of clothes are given. We know that small amount will not purchase any kind of a suit of clothes, including a hat and shoes, to send him home in.

And I want to say further that the fault lies with the recruiting officer when a boy under 18 years of age is enlisted. The fault does not lie with the boy. The boy has notions about serving his country or going to sea, and he is roped in and haltered. The recruiter who solicited him to enlist and succeeded in roping him in frequently knows the boy's age and conspires with him to conceal it. I personally know of cases where boys have assured me that they had told the petty officer, or whoever it was that solicited them, their ages, and he cautioned them, "You will have to say that you are 18 years old." I believe that this is frequently done.

I say that the blame usually rests on the recruiting officer who enlists a boy under 18. Many of them are obviously under 18 years of age. Reasonable precautions ought to be adopted by the authorities to insure that boys are not buncoed and practically shanghaied into the Navy. And when they get them there they ought to be treated decently, and when they are sent home to their folks they should be clothed in a decent suit of clothes.

Now I yield to the gentleman from Pennsylvania.

Mr. BUTLER. I can not understand how the young men referred to by the gentleman got into the service. I have no doubt the gentleman states the facts correctly. Of course, young men do sometimes go into the service when they are only 16 years old, when the age limit is fixed at 18 years old. I do not understand how the young man the gentleman refers to could have gotten in.

Mr. HUDDLESTON. He said he was over 18.

Mr. BUTLER. Oh, then, he did not tell the truth. What are you going to do about it?

Mr. HUDDLESTON. He ought to be treated, a boy of that kind, as any immature boy should be treated. When these smooth-faced boys come up and present themselves the recruiting officer ought to assure himself that they are of proper age. The duty is on the recruiting officer before he takes one of these smooth-faced boys into the Navy to ask for a birth certificate. Also he ought to ask for the consent of the parents. It is an outrage on both parents and boy to enlist an 18-year-old boy without the consent of his parents. Mere boys have not sufficient discretion to decide such an important matter for themselves. It is a blemish upon the law, a blemish upon our public policy, that we should take in a boy under 21 without giving his parents the opportunity to express themselves. [Applause.]

PROFITEERING IN COAL.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

BEFORE THE HOUSE COMMITTEE ON RULES,

July 21, 1919.

Mr. HUDDLESTON. I feel like trespassing for several minutes on the time of the committee because of the tremendous importance of this subject.

Mr. GARRETT. I understand that on Saturday Mr. HUDDLESTON introduced a resolution, H. Res. 183, which is before the committee, supplemental to the resolution presented by Mr. MACGREGOR.

The CHAIRMAN. It is a short resolution, and it will be placed in the record.

The resolution is as follows:

Whereas there has been a great decrease in the production of coal in the United States for the elapsed part of the current year as compared with the same portion of last year; and

Whereas there has been a lowering of the cost of production of coal since November 11, 1918, yet prices are being maintained generally throughout the United States at the maximum prices fixed by the Fuel Administration, and in some sections prices have been increased beyond such maximum prices; and

Whereas an organized propaganda is being carried on with the obvious purpose of frightening consumers into the purchase of coal at present prices under the threat of a coal shortage and higher prices, such propaganda including representations of a shortage in labor, shortage in transportation facilities, and increased cost of production: Therefore be it

Resolved, That the Speaker of the House of Representatives be, and he is hereby, directed and empowered to appoint a committee of five Representatives in Congress, which committee shall be charged with the duty to ascertain and report:

First. The origin, methods, and financing of the propaganda herein above referred to.

Second. The cause of the decrease in production of bituminous and anthracite coal in the United States during the present year and what may be done to remedy said situation, and whether such decrease in production is due in any measure to combinations among operators, controllers, or owners of coal mines or sales agents or dealers in coal.

Third. The cause of the high prices being charged for coal, whether the same are justifiable, and to what extent, if any, such prices are affected by agreements or combinations among owners, controllers, or operators of coal mines or sales agents or dealers in coal, and whether coal price limiting legislation should be adopted.

Fourth. Whether there is danger of a shortage in coal and what may be done to avert same.

Fifth. Whether there is a combination or agreement, express or tacit, among owners, controllers, or operators of coal mines or sales agents or dealers in coal which affects the production, transportation, distribution, sale, or prices thereof.

Mr. HUDDLESTON. The resolution introduced by Mr. MACGREGOR deals merely with anthracite coal, while the resolution which I have offered deals with the entire coal situation. Mr.

MACGREGOR's resolution, which is House resolution 157, resolves:

That the Speaker appoint a committee of five Members, the duty of which committee shall be to devise plans and methods, in so far as possible, to provide to the people an adequate supply of anthracite coal properly distributed and at fair prices during the winter of 1919-20, and to report to the House of Representatives such legislation or method as may or shall tend to accomplish the end in view.

The resolution which I have offered, House Resolution 183, has a much wider scope. It directs the appointment of a committee which shall be charged with the duty of investigating the whole coal question.

I have been considering offering this resolution for several weeks, and I did so on Saturday, being advised that hearings were being held on Mr. MacGregor's resolution, and with the view to urging the committee to take a broader view of the situation, because it is even more acute in the bituminous-coal industry than in the anthracite industry.

BIRMINGHAM'S INTEREST IN COAL.

I live in a bituminous coal district. I represent the Birmingham (Ala.) district, which consists solely of Jefferson County. It is the heart of the coal industry in Alabama, and produces three-fourths of the coal that is produced in Alabama, the industry being centered in that county. The people who own the mines, or control and operate them, live in that county, and the surrounding coal territory is tributary to that county. We have in my district between 15,000 and 20,000 men engaged in the production of bituminous coal, and in the Alabama field, perhaps, 22,000 or 23,000. The subject is of great importance to my constituents from every angle. First, the operators' standpoint; second, the standpoint of the man who digs the coal, the coal miner; and, third, the standpoint of my district as a manufacturing community. The price of coal and its supply control the prosperity of our industries, because without a reasonable price and an adequate supply there can be no prosperity among those industries. Then, fourth, I might say, are the professional and financial classes, merchants, and others who depend wholly for their prosperity upon the condition of the coal industry in that district. So that really the situation touches every man in my district except a few of the farmers.

The CHAIRMAN. Are the mines running full time?

Mr. HUDDLESTON. Oh, no. I will deal with that in a moment, if you will permit me. I know nothing about the anthracite industry beyond what is known by people generally, but I do know about the bituminous industry. I have been closely observant of it for many years. I have friends who are engaged in operating mines. I have a great many more friends who are engaged in muscling the coal out. I am in close touch with the consumers of coal, and am the confidant of the retail coal dealers, so that I know something about the subject.

COAL OPERATORS' PROPAGANDA.

There is a nation-wide propaganda being carried on by the bituminous-coal operators with the clear purpose of frightening the people of the United States into stocking up on coal at its present price. Even the hearings of this committee are being used for that purpose. I have here a clipping referring to the hearings to be held before this committee which I took from a

Birmingham newspaper, dated Friday, July 18, 1919. The heavy headline of the article reads:

Coal shortage is facing country. Congressional inquiry into situation is urged by operators.

Then follow statements calculated to encourage consumers to buy coal at present prices—threats of higher prices, and so forth.

The members of the committee will observe from a reading of this item that while it is put out as a regular news dispatch, it is a clear piece of propaganda. It is not a news item but an item of propaganda and put out for the purpose of furthering this propaganda that I speak of. The propaganda seems to have its origin in the National Coal Association, a combination of bituminous-coal operators, which has an office in the Commercial Bank Building in Washington. I have in my hand an expensive advertisement of nearly a half page that was recently printed in Birmingham newspapers; also appeared in papers throughout the entire country. This advertisement was followed up in some of the papers with another advertisement along similar lines. This effort is being made to bluff the people into taking coal now at the present high prices. In addition to this newspaper advertising this propaganda is being carried in news articles and in editorials. I have seen it in news articles carried in papers throughout the country, ranging from the Christian Science Monitor, which is exceedingly reliable for a newspaper, to papers of the Far West. Some of it purports to emanate from the United States Bureau of Mines. I do not know what that bureau has to do with things of this kind, because the Geological Survey has the duty to collect statistics on this subject, but every little while we see a quotation from somebody connected with the Bureau of Mines, or somebody else who pretends to know, all with the evident purpose of alarming the people and causing them to buy coal.

These advertisements are nearly always preceded or followed by inspired news articles and editorials based on the advertisements and repeating their false statements. I have in mind one of the Birmingham papers, a copy of which, dated July 1, I hold in my hand, which carries in big headlines in the most conspicuous place on its front page: "Birmingham in grip of domestic fuel famine, despite summer heat," followed by similar arguments to those put forth in the advertisements of the National Coal Association.

That gives you some idea as to the news articles being carried in the newspapers. In the editorial column of the same issue of this Birmingham paper there is an editorial with the sensational head, "Buy winter's coal now or suffer later on," repeating the deceitful statements of the National Coal Association.

By a remarkable coincidence the very next issue of this newspaper carried this expensive advertisement of the National Coal Association, which, of course, was well paid for.

In the advertisements, special articles, and editorials which are being printed as a part of the "buy-coal-now" propaganda there is the deliberate purpose to give official color to the propaganda. Numerous purported quotations of Government officials are made. In some instances there is the representation of authorized governmental approval of the statements. Everybody ought to know, but perhaps some do not, that no official

of the Government can properly lend himself to this propaganda, or has any authority to give it countenance.

FALSE STATEMENTS.

This statement is made in the advertisement of the National Coal Association:

Forty thousand foreign-born miners are returning to Europe. There is virtually no immigration, consequently the men can not be replaced. Their departure alone means a reduction of 40,000,000 tons in the coal output of the year—20,000,000 tons for the remainder of 1919.

This is absolutely false as a statement of fact. The number of alien miners returning to Europe is grossly exaggerated. Thousands of discharged soldiers are returning to their former occupation as miners—thousands more than the immigrant miners who are returning home—thousands of soldier miners, who can not get work because the mines are not going. A few hundred immigrant miners are returning home because work is slack; that is all. I have just received the following letter from Director General Densmore, of the United States Employment Service, which shows how false the advertisement is:

MY DEAR MR. HUDDLESTON:

1. Acknowledgment is made of your communication under date of July 12, in which you requested information regarding labor conditions in the coal-mining industry.

2. There are approximately 1,000,000 men employed in and around the bituminous and anthracite coal mines. Ever since the armistice was signed thousands of miners have been idle. Unemployment has been keenly felt in Ohio, Indiana, Illinois, and the southwestern districts. Production of bituminous coal has decreased for the period ending June 28, 1919, from 212,000,000 as compared with 284,000,000 for the same period in 1918 and the production of anthracite coal from 49,000,000 to 38,000,000 tons.

3. This is due to the fact that coal mines have been shut down and thousands of men have been forced out of employment. The coal operators allege that this idleness is caused because there has been no market for coal.

4. Unemployment in certain sections of Indiana, Illinois, and Ohio is such as to create distress and want among a large number of miners and their families.

5. There are approximately the same number of men employed in and around the coal mines now as there were in 1918. In some sections, due to idleness, Italians and Slavs from Europe have returned to their native land, but this has been offset by the return of thousands of men who served in the Army and Navy during the war.

Very truly, yours,

J. B. DENSMORE,
Director General.

Another misleading statement made in the advertisement is:

The movement of crops is impending. When that begins the opportunity to make up the shortage in coal will be gone. Cars and motive power must be shared with grain and other export products.

Coal can not be stored at the mines; its production must keep pace with the capacity of cars turned over to the mine operators. Cars can not be sent to the mines unless the coal has been ordered. The orders must come from you, the coal user.

The true facts as to the coal transportation situation are shown by a letter, dated July 19, 1919, which I received from W. T. Tyler, Director of Division of Operation, United States Railroad Administration, from which I quote:

Estimated by the Geological Survey as the bituminous coal production necessary to satisfy the country's requirements in the calendar year 1919, 500,000,000 tons; produced up to and including July 5, 220,000,000 tons. Balance necessary to produce in the remaining six months, 280,000,000 tons, or almost 11,000,000 tons per week.

The low production in the present year thus far is due almost entirely to lack of market. This is amply shown by the weekly reports of the Geological Survey, which for months past have shown that the mines have lost 30 to 40 per cent of working time on account of no

market, while the loss on account of car shortage has never reached 5 per cent and seldom went over 3 per cent. The low production in 1919 is the direct result of this condition, and is emphasized by the fact that up to the same date—July 5—the production in 1918 was 295,000,000 tons.

The fact is that the railroads are in much better shape than they were for several years preceding the war. We now have more than 4,000 locomotives in good repair stored and ready for service, whereas at no time during the two years preceding the war did any such condition exist. There are on the railroads under Federal control 975,851 coal cars, and during the week of June 14, 1919, the average in bad order was only 9 per cent, and this 9 per cent included a large number of light coal cars actually withdrawn from service but not taken off the books. The system adopted by the Railroad Administration classes cars as being in bad order when they are undergoing only light repairs as well as heavy repairs. While figures on the same basis are not available for the years preceding the war, there can be no question but what the situation in this respect is more favorable now than it was then.

The coal operators' propaganda emphasizes the fact that France desires to buy 1,000,000 tons of coal in America. This is piffle. One million tons is nothing compared to our total annual production of over 500,000,000 tons.

The operators threaten higher coal prices. Why should the prices go higher? Wages are not being increased. Mine rails, timbers, and other mine supplies are cheaper. Why an increase in prices? There will be none, unless there is criminal profiteering.

I agree that one item of the propaganda may prove true. We may have a coal shortage. The prices being demanded by coal operators are so high that the people will not buy. Consumers of domestic coal must eventually have coal, and it may be that later on they will have to buy it at the operators' price. This is what I am protesting against. The sufferings of the people should not be exploited for the benefit of the operators. The people should not be forced to make a choice between suffering from a coal shortage and buying at extortionate prices.

These are the methods of propaganda being used throughout the country at large and are worthy of the committee's attention.

COAL MINES SHOULD BE OPERATED.

The CHAIRMAN. Mr. HUDDLESTON, do you think it important, or otherwise, that the mines should be operated during the summer in order to produce coal for the ensuing winter?

Mr. HUDDLESTON. I do, indeed. That is the object of all my efforts in the matter.

The CHAIRMAN. Can you suggest any way of getting the mines to resume a production that will help to meet the necessities of the American people next winter?

Mr. HUDDLESTON. I have tried to reach that very matter by a bill which I have introduced, H. R. 7196. The object of my bill is to force the operators to run their mines for the double purpose of preventing a coal shortage which may cause suffering next winter and to provide work for their employees, who are depending on their wages for bread. I am willing to allow the operators a fair profit, and believe that they will get it by charging not more than the Fuel Administration's maximum prices. But on that point they could well afford to run for a few months on little or no profit, for without doubt they have made big money during the war:

Be it enacted, etc., That, by reason of the recent existence of a state of war, it is essential for the national security and defense and

for the restoration of peace and order, to insure an adequate supply of fuel and the equitable distribution and the sale thereof at reasonable prices, and to facilitate the movement of fuel and to prevent scarcity, monopolization, hoarding, injurious speculations, manipulations, and controls affecting the supply, distribution, and movement thereof.

SEC. 2. That the words used in this act shall be construed to import the plural or the singular as the case demands. The word "person" wherever used in this act shall include persons, firms, associations, and corporations. The words "sales agents" shall include persons, firms, corporations, and associations selling coal or coke for hire or for a commission, or buying and reselling coal or coke as brokers or without unloading same on their yards. When construing and enforcing the provisions of this act the act, omission, or failure of any official, agent, or other person acting for or employed by any person, firm, association, or corporation within the scope of his employment or office shall in every case also be deemed the act, omission, or failure of such person, firm, association, or corporation, as well as that of such person.

SEC. 3. That the provisions of this act shall cease to be in effect at the expiration of five years after the date of the termination of the war between the United States and Germany as same shall be ascertained and proclaimed by the President under section 24 of the act approved August 10, 1917, known as public law No. 41, Sixty-fifth Congress, but the termination of this act shall not affect any act done or any right or obligation accruing or accrued, or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this act; but all rights and liabilities under this act arising before its termination shall continue and may be enforced in the same manner as if the act had not terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination may be prosecuted or punished in the same manner and with the same effect as if this act had not been terminated.

SEC. 4. That any willful violation of any of the provisions of this act shall be punishable by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

SEC. 5. That it shall be unlawful for any person not a retail dealer actually delivering same from yards to sell or offer for sale, directly or indirectly, any coal or coke in quantity in excess of 15 tons, at a price greater than the maximum price which may have been fixed thereon by the President or under his direction under section 25 of the act approved August 10, 1917, known as Public Law No. 41, Sixty-fifth Congress, plus any amount which such person may have actually paid or incurred for the transportation of such coal or coke.

SEC. 6. That it shall be unlawful for any producer or dealer in coal or coke, other than a retail dealer actually delivering same from yards, to willfully refuse to sell or deliver coal or coke to any person offering to buy same at the maximum price therefor as mentioned in section 5 of this act, but this shall not prevent such producer or dealer from selling at less than said maximum price.

SEC. 7. That it shall be unlawful for any person to willfully fail to operate to its full capacity any coal mine owned, operated, or controlled by him when its product may be sold at the maximum price mentioned in section 5 hereof, or to refuse to sell the product thereof to consumers or retail dealers, or to unreasonably discriminate among persons who may desire to purchase such product, or to agree with other persons to sell the product of said mine exclusively to sales agents for resale; or, being a sales agent or the owner, operator, or controller of a coal mine, to agree with any person to in any way limit the output of a coal mine, to fix a price on coal, or to limit in any way the production, distribution, transportation, or sale of coal.

SEC. 8. That this act shall not have effect to repeal the act approved August 10, 1917, nor any other existing law, but shall be construed as a cumulative remedy for the evils and practices set forth herein.

MR. HUDDLESTON. My bill provides that the Fuel Administration's maximum prices shall continue to be the maximum prices for the next five years, and further provides that every operator of a coal mine shall operate his mine to full capacity so long as he can sell the output at the Fuel Administration's maximum price. This bill also forbids all kinds of combinations among operators, dealers, and sales agents which would affect the output and the sale of coal. That bill has been referred to the Committee on the Judiciary.

Mr. SNELL. Would your bill necessitate a man's selling his coal at a certain price, regardless of what it cost?

Mr. HUDDLESTON. My bill would necessitate that not exceeding the maximum price fixed by the Fuel Administration should be charged for the coal.

Mr. SNELL. What if conditions were such that he could not produce it for that?

Mr. HUDDLESTON. Before passing the bill it is incumbent upon Congress to go into the question of cost and see whether he can do it or not. That is the purpose of the investigation I am asking. I have some facts as to costs of production which I shall give to the committee.

A CONSPIRACY TO MAINTAIN PRICES.

Mr. POW. It seems that one reason for the shutting down of the mines is the absolute scarcity of labor.

Mr. HUDDLESTON. I want to correct that impression. The letter from the Director General of the Employment Service shows beyond question that there is no shortage of labor. The decrease in production is due wholly to other causes. The reports of the Geological Survey show that. The operators say there is "no market." I say there is no market because the prices are too high. There is no doubt but that there is a combination, either express or implied, or in some kind of fashion, among the men who have to do with the production and distribution of coal—bituminous coal, I would say first, and it seems highly probable anthracite—to maintain prices and perhaps also to restrict production. I brought this matter to the attention of the Attorney General several weeks ago and urged that an investigation be made by him with a view to ascertaining whether the laws are not being violated.

The CHAIRMAN. By the operators urging people to buy coal now?

Mr. HUDDLESTON. No; that is not a violation of law, but agreeing among themselves to maintain prices, to limit production, or to limit transportation or affect distribution would be a violation of law.

The CHAIRMAN. Is it your contention that the operators are responsible for the suspension of the production of coal in the bituminous coal fields?

Mr. HUDDLESTON. That does not necessarily follow. The restriction, it seems to me, comes on account of the high price being demanded for the coal. The consumers know it is too high and will not buy the coal.

The Attorney General—I may say to my surprise and without any such intention on my part—referred my request for an investigation to the district attorney of my own district, instructing him to investigate there. My district produces only about 5 per cent of the bituminous coal produced throughout the country—a very small part of it, comparatively speaking. I had expected that the Attorney General would begin at the head of the thing—we will say with the National Coal Association—to find out if there is not an agreement over the country at large as to what is being done; of course I expected that inquiry to include my district. The investigation is now going on, and I am hoping for some results.

Now, there has been a great decrease in production, and I may say that that decrease is in anthracite as well as

bituminous coal. I have in my hand the latest statement issued by the Geological Survey, which bureau is charged with the collection of statistics on the subject of coal. It is dated July 12, and as to bituminous coal the statement is this:

The production of bituminous coal in the week ended July 5 is estimated at 7,469,000 net tons, an average per day for the five working days of 1,494,000 tons, compared with an average per day of 1,576,000 tons in the previous week, as against 2,050,000 tons in the week ended July 6, 1918. The production for the calendar year to date was 220,361,000 tons, nearly 74,500,000 tons less than in the corresponding period last year. The average daily production, considering only working days, has been about 500,000 tons less this year than last year.

The figures given are taken from the latest reports available, July 5. To that time 220,361,000 tons had been produced as against 294,837,000 tons for the same period in 1918. Now, as to anthracite coal, the production up to July 5 of this year is 40,204,000 tons, while for the same period of last year it was 50,812,000 tons, being 10,000,000 tons short in the production of anthracite up to July 5. The production of anthracite for the week ended July 5 was 1,408,000 tons of anthracite as against 1,735,000 tons of anthracite for the corresponding week in 1918.

The CHAIRMAN. I will say to you at this point that gentlemen have appeared before this committee and said—representing both anthracite and bituminous coal—that they were selling all the coal that the consuming public would take.

Mr. HUDDLESTON. I do not doubt that, and I wish to call further attention to my own district. The production for the week ending June 21 was 69 per cent of capacity, and for June 28 it was 74 per cent of capacity.

The previous witness stated, as I understood, that in the production of anthracite coal at this particular time, as compared with 1918, there was no shortage, while this statement shows that for the week ending on July 5 the production was 327,000 less than for the corresponding week of 1918. I know nothing about this of my own knowledge; I am merely using these reports of the Geological Survey. I have here a letter from Director Smith, of the Geological Survey, dated July 17, from which I quote. He says:

The information contained in the weekly bulletins, particularly that in the table on page 3, each week shows that the reason for the decrease in the production of bituminous coal is lack of market, or "no demand," as it is classified in that table. The same is true for the anthracite, although the details have not been compiled in the same manner as for bituminous coal.

There is a great decrease in production. That decrease is due primarily to lack of demand for the coal, and that lack of demand is due to the high prices being demanded by the coal operators for their product. I make that assertion dogmatically, but, of course, I am merely expressing my opinion, based on data which I have collected.

COAL PRICES ARE TOO HIGH.

Mr. POW. And the high price demanded is within the maximum set by the Government?

Mr. HUDDLESTON. The price demanded exceeds the maximum fixed by the Fuel Administration in many sections; it exceeds the maximum in my own district.

Now, as to the maximum price fixed by the Fuel Administration. I have in my hand publication No. 29, of the United

States Fuel Administration, dated September 22, 1918, which gives a statement as to how prices were fixed on bituminous coal. These prices, fixed on bituminous coal—as anyone who reads this document will conclude—were extremely favorable to the operators. They allowed handsome profits. In the first place, the operators were called upon by the Federal Trade Commission for statements as to their costs. Of course, they knew what the statements were being obtained for, and the statements were very largely made, as they show for themselves, with a view to swelling the costs. It is easy enough for anybody connected with the coal industry to swell his showing of costs. He can add in a lot of things, and so on, and it is very difficult indeed to catch up with it. These statements were collected by the Federal Trade Commission for the purpose of fixing coal prices. The statements were turned over to the Fuel Administration, and there they were taken up by men who were themselves connected with the coal industry. I want to say now that the Fuel Administration's activities—and I realize that this is a very severe criticism—seem to have been carried on always from the standpoint of the coal operators. I know this was especially so in my district. In fixing the price the Fuel Administration acted upon these figures given by the coal operators themselves and allowed them large profits upon the operators' own representations as to their costs of production. This is obvious from publication No. 29 itself, for it shows that 84 per cent of the coal averaged in cost f. o. b. mines only \$1.69.

The CHAIRMAN. How does the increase in the cost of coal compare with the increase in the cost of other necessities in that section of the country—cotton, wheat, meats, shoes, and other elements that enter into the necessities of life?

Mr. HUDDLESTON. That is a big and important question. The average increase to the present in the cost of the necessities of life in my section, in yours, and over the country as a whole, as compared with 1914 is 82 per cent. In other words, what you could buy in 1914 for \$1 in the way of food, shelter, clothing, and other things that the working man has to buy he must now pay \$1.82 for.

The CHAIRMAN. How does the cost of coal compare with that average?

Mr. HUDDLESTON. To give you some specific figures, I will say this: In my district we have a number of seams of coal, and the price varies according to the quality of the coal. We will take what we call the Black Creek seam, which is the best steam coal we have in the district and the highest-priced coal that is ordinarily used for steam purposes; in 1914 that coal was being loaded on the cars and sold f. o. b. at from \$1.10 to \$1.45 per ton, run of the mine. I know what I am talking about; this is not a guess. Most of that coal was sold in 1914 for \$1.15, \$1.25, and \$1.35 f. o. b. mines.

The CHAIRMAN. In what year was that?

Mr. HUDDLESTON. That was in 1914. The Fuel Administration's maximum war price on that coal was \$3.45, but you can not buy any of it now at that price; it is actually selling now at from \$3.75 to \$4.50, and there has been a corresponding advance in various other kinds of coal. I hold in my hand a

letter from the Fuel Administrator, dated June 25, 1919, giving the maximum Fuel Administration prices for various kinds of coal, in which he says:

Replied to your letter of the 21st instant, we beg to say that prices named by the United States Fuel Administration were maximum prices and were all based on mine costs. The following, effective August 23, 1918, were the last f. o. b. mine prices allocated to the respective grades to enable the industry to obtain a reasonable realization on its run-of-mine output, namely:

	Run of mine.	Prepared.	Screenings.
Big Seam Group.....	\$2.45	\$2.75	\$2.40
Cahaba.....	3.45	3.75	3.10
Pratt-Jagger Group.....	3.85	3.05	3.45
Helenia Harkness Group.....	2.90	3.20	2.70
Climax.....	4.60	4.85	2.50

Cahaba, which is largely a domestic coal, with Fuel Administration's maximum price, \$3.75 for lump, is now sold at \$4.20. Climax, maximum \$4.85, now sells at \$5.50. Pratt-Jagger, maximum price \$3.05, is being sold at from \$3.50 to \$4.50.

The poorest coal we have in that district is what we call the Big Seam; it is a dirty coal and has to be washed; in 1914 it sold f. o. b. mines from 90 cents to \$1.20; the Fuel Administration maximum was \$2.45, but it is now selling at from \$2.50 to \$2.75. The increase in prices that the operators are now receiving in my district, as compared to 1914, ranges from 100 to 200 per cent.

PRICES MORE THAN DOUBLED.

The CHAIRMAN. That much of an increase?

Mr. HUDDLESTON. Yes; that much of an increase. In 1914 the miners in my district were being paid on the Pratt basis 57½ cents a ton for mining coal.

The CHAIRMAN. What are the miners paid now?

Mr. HUDDLESTON. I will get to that. I may say that the United States Steel Corporation is the principal producer of coal in my district; they consume in their manufacturing operations practically all they produce; however, whatever wages they pay to miners other operators are eventually compelled to pay, so as to meet competition. They have given the miners, since 1914, increases from time to time of 5 per cent, 10 per cent, and so on, until now the price on the Pratt basis is 85 cents, an increase of 27½ cents to the miner, while the miner is compelled to pay an 82 per cent increase for his cost of living. The miner gets an increase of only 47 per cent in his wages—that is what it figures out—while the operator has increased his price from 100 to 200 per cent. I would say 150 per cent would be a conservative average.

The CHAIRMAN. Where do you get those figures, from the mines in your district?

Mr. HUDDLESTON. Yes; I am referring to my district. There is not any doubt in the world but that the Fuel Administration's maximum price to the coal operator yielded him at the time it was given in 1917 not less than \$1 a ton more in the way of profit than he had been receiving in 1914.

Mr. SNELL. This applies purely to bituminous coal?

Mr. HUDDLESTON. It applies to my district, which produces only bituminous coal. This intimate knowledge of the situation that enables me to speak with such confidence, of course, could not exist with reference to any other field.

Mr. POW. It would seem that the Attorney General was not very far wrong in referring the matter to the district attorney of your district?

Mr. HUDDLESTON. I think it is a mistake to assume that one field that has a very limited production and a limited market is a fair test for the country over.

Mr. POW. I think you are right—that he ought to look at it from the standpoint of the country at large.

Mr. HUDDLESTON. I replied to the Attorney General, and urged that he conduct a nation-wide investigation. Only last week I called his attention to the fact that the National Coal Association was having a meeting in Kansas City of coal operators from the country over, and urged him to find out what they were doing at these meetings and what the purposes of the association are. I will say this: In my district I believe that higher prices are being demanded than in the neighboring fields of Tennessee, Kentucky, and West Virginia, because my operators are losing a great deal of business to those fields. The coal purchasing agent of the Southern Railway told me 10 days or so ago that he had withdrawn his orders from Alabama territory and would not send any more there, because the operators were demanding full Fuel Administration prices, which he considered too high. I then asked him: "Do you not find other operators in other fields just as greedy?" He said: "They are greedy everywhere, but they are more extortionate in your field than they are elsewhere."

The CHAIRMAN (interposing). How much of the time are the mines running now in your district?

Mr. HUDDLESTON. I had a letter from a coal-digger friend of mine on last Saturday saying that he was getting work only one day a week. It is impossible for me to generalize, because you will realize that some of the mines are running every day, some of them are shut down, while others are on half time, and so on, so that it is not possible to say with any degree of exactness.

ONLY 60 PER CENT PRODUCTION.

The CHAIRMAN. In any event, the mines are not running to exceed three-fourths of the time?

Mr. HUDDLESTON. In my district the production is 60 per cent of capacity for the elapsed part of the year 1919.

Bituminous coal is of two kinds, not necessarily in quality, but in use; one is commercial coal, and the other coking coal. More than half the coal produced in my district is used for coking purposes, which, in turn, is used in manufacturing iron, steel, and so on. The big steel and iron companies produce their own coal from their own mines and use their own coke ovens for their manufacturing purposes. Commercial coal, in turn, has two uses—one steam coal, the other domestic coal.

These are facts of general application. In order to understand the coal situation, you must bear these facts in mind. Now, as has been stated with reference to the anthracite-coal industry, the demand for steam coal has a relation to the production of do-

mestic coal. Steam coal is always the run of the mine or worse—that is to say, it is either the coal as loaded on the cars by the miners or it is that coal with the lumps taken out. Mines devoted primarily to the production of domestic coal screen the coal, taking out the lumps, and sell the lower grades for steam purposes. Where they have no demand for this steam coal they frequently do not produce the domestic coal. The demand for steam coal is so low, due to high prices and the falling off in consumption by the railroads and in the use by other people who use steam coal that these mines can not produce domestic coal; they have not got it to sell, and they can not supply the demand. The retail dealers in my city can not get coal.

The CHAIRMAN. Have any industries in your section of the country suspended operations during the last few months that were large users of coal?

Mr. HUDDLESTON. The large users of coal in my district are the iron producing concerns. Out of 45 iron blast furnaces only 18 are now in operation.

Mr. SNELL. I understood you to say that the United States Steel Corporation produced most of the coal that it uses.

Mr. HUDDLESTON. Yes.

Mr. SNELL. Then, it does not make much difference what the price is if they produce it and use it.

Mr. HUDDLESTON. It would make quite a difference to them if the price represented the cost of production, for it would go into the cost of their iron and steel. I am not after the Tennessee company, which is the local branch of the United States Steel Corporation, about coal prices, because they do not produce coal to sell to others; I am after the men who produce coal for commercial purposes, and put such a big price on it that the people can not buy it for domestic use or for steam purposes. I want them to run their mines so as to give men work and so there will be no suffering for coal next winter.

Mr. SNELL. Have any plants actually shut down because of the high price of coal?

Mr. HUDDLESTON. I would not say for that cause exclusively.

The CHAIRMAN. Is there not a suspension of coal operations or activities in every coal field of the country?

Mr. HUDDLESTON. Yes.

The CHAIRMAN. The consumers of coal that formerly purchased in your district are not coming to my district to get it, although that is as large a coal district as yours, or larger.

Mr. HUDDLESTON. I have boasted that I represented more coal diggers than anybody else in Congress. It may be that you are entitled to that credit; but if you are not sure of your number, I would like to match mine against yours. The consumers are not going to your district.

The CHAIRMAN. No; because the coal operators in my district are endeavoring to sell coal now and can not find a market. The mines are idle nearly half the time.

INDUSTRY DEADLOCKED AGAINST ITSELF.

Mr. HUDDLESTON. I believe if you will investigate the facts you will find that your operators are endeavoring to sell coal by scaring the people by talking about a shortage, and a lot of stuff like that, instead of trying to create business by making proper prices. That is what they are doing in my district.

The trouble to-day, in my opinion, is that the industries of the United States are deadlocked against themselves on account of extortionate prices. I do not know of any other word that ought to be used in that connection; that is the cause for the existing general business depression and idleness. It is caused by the extortionate prices being demanded for raw materials. Of course, I mean by that for such fundamental commodities as coal, iron—

The CHAIRMAN (interposing). Cotton.

Mr. HUDDLESTON. Yes; cotton, wheat, oil, steel, lumber, etc., that other things are made out of. The people who produce them have made a pocket full of money during the war and they are not willing to go back to prewar profits. They are holding the prices up, and the result is that we are not doing business in this country. Just to give an illustration, during the first three months of 1919 the railroads consumed 4,752,697 tons of coal less than for the same months of 1918. They are consumers of bituminous coal, but they are not using as much coal, because they do not need it. They are not using anybody's coal. Why are they not using it? It is because the transportation of commodities has fallen off. They are not hauling lumber, coal, steel, iron, and so on, and therefore they do not need coal. The man who owns a plant does not start it up. He was engaged in war work, which has stopped, and he does not start up because of the excessive cost of coal and other materials. A man wants to build a house, but he does not build it because of the cost of nails and other materials. Paint, for instance, sells for from \$3.50 to \$4 per gallon. All of those things are kept up at such high prices that business is stopped.

Labor has increased in cost, but it would be preposterous to expect a man using his muscle and skill in building a house to reduce the price of his labor when, with the proceeds of his day's work, he can buy to-day only from 60 to 80 per cent of what a day's wages would buy of the necessities of life in 1914. The man who is laboring can not bring down the cost of his labor until you reduce the cost of living. He is a manufacturer himself. He manufactures muscle which he uses in labor, and bread, meat, house rent, and one thing after another enter into the cost of that product. Necessarily, he must use those raw materials. You must bring down the price of the materials of living, just as you should bring down the cost of steel. Do you expect a man who is making nails out of steel at the present prices to sell his nails at the 1914 prices? He can not do it. No more can a workingman paying present prices for the necessities of life reduce the cost of his labor. Therefore you must strike first at the great basic commodities and in that way control prices.

The CHAIRMAN. Where would you suggest that the reduction should begin?

Mr. HUDDLESTON. I would suggest that it should begin first with such things as coal and iron. Those are the two great commodities produced in my district; they are what my people live on; yet that fact does not blind my eyes to the general public welfare. I am not so selfish that I would desire the advantage of my constituents to stand in the way of the welfare of the people of the whole country.

The CHAIRMAN. How would you suggest that the reductions in prices be brought about?

Mr. HUDDLESTON. By a thoroughgoing system of price fixing which would include not merely raw materials but all of the common necessities of life. We have got to do that or conditions may arise in this country that are not pleasant.

The CHAIRMAN. Could you force production to meet the demands of consumption if the cost of production was to be the price fixed?

Mr. HUDDLESTON. No; of course, I would not have the price fixed below the cost of the production, but I would have a price fixed that would allow a reasonable profit only. A few minutes ago the chairman referred to the high price of cotton; I want to say that in no other product is there a greater profit between the producer and the consumer. The manufacturer of cotton, the jobber, the retailer of cotton goods, and everybody who touches cotton are eating the people alive.

Mr. Pou. Cotton is bought for 35 cents per pound and is sold for \$5 per pound.

Mr. HUDDLESTON. The profits are enormous. The men who are buying cotton are now paying 35 cents per pound to the farmers, but the price that you must pay for that cotton in the form of a shirt is on a basis of something above \$1 per pound for the raw cotton. That is after allowing every expense that is involved, including the wages, cost of distribution, and everything else.

Mr. Pou. I did not mean that they got \$5 per pound for it, as a rule, but there are numerous instances in which they do get that.

Mr. HUDDLESTON. Yes. There is a disposition on the part of these profiteers—and that is exactly what they are—to lay it all on the workingman. The chairman will pardon me for suggesting that it was unfortunate for him to make that suggestion with reference to the cost of building—

The CHAIRMAN (interposing). It was not unfortunate. I did not state where the cause lay.

Mr. HUDDLESTON. But there was an intimation in what the chairman said that the price of labor was keeping building back. INCREASE IN WAGES HAS NOT EQUALED INCREASE IN COST OF LIVING.

I made an investigation of this subject and collected statistics from many different sources as of the date of November 11, 1918. I found that the average increase in wages to labor of all kinds throughout the United States over 1914 was only 34½ per cent. In other words, where a workingman in 1914 got \$1 for a given amount of work, on an average, on November 11, 1918, he was getting \$1.34½ for that same work. On the latter date he was paying \$1.77 for the necessities of life for which he paid \$1 back in 1914. Therefore let us have done with the suggestion that the man who uses his muscle and skill is responsible for these conditions.

What I am saying is not addressed especially to the chairman or to his observation, but to the general propaganda sent throughout the whole country, appearing in various forms and coming from various organizations. It is coming from men who have made millions out of the war, and who want to keep on making millions in time of peace. They want to continue to profiteer just as they did during the war. That suggestion—and it is a

sinister suggestion—is coming from all of these sources—that is, that the workingman ought to be punished and that there should be first a reduction in the cost of labor.

The CHAIRMAN. I confess that I have not heard that suggestion made anywhere by anybody.

Mr. HUDDLESTON. Then the chairman has been exceedingly fortunate, because it has been dinned into my ears until I am sick of it. I have heard it not only on the floor of the House but I read it in practically every newspaper. The workingman, instead of being the cause of high prices, is their especial victim.

The CHAIRMAN. I would like to have you, who have given careful attention to this subject, to make some suggestions to the committee as to how the prices that the producer gets can be brought nearer to the prices that the consumer ought to pay for the necessities of life.

A REMEDY FOR HIGH PRICES.

Mr. HUDDLESTON. The only answer I can make to that is the one I have made—that is, that we must have a thoroughgoing system of price fixing in the United States which will protect the people from profiteering.

Mr. SNELL. Would you fix the price on everything?

Mr. HUDDLESTON. Especially on the great basic commodities.

The CHAIRMAN. Do you think that the volume of money that is in circulation now has anything to do with the price of everything being so high? In other words, is there any inflation?

Mr. HUDDLESTON. Undoubtedly. In July, 1914, we had a per capita circulation of a few cents over \$33; a few months ago, the last time I looked at it, the per capita circulation had increased to \$55. Of course, that is a very important factor. Another very important factor is that we have had the flotation of immense issues of bonds, which are used as a basis of credit, and have caused further inflated prices. The shortage in commodities that actually occurred during the war was on account of the fact that a great many men, both here and in Europe, were withdrawn from productive labor.

Before I close on this phase of the subject, as long as it has been brought up, I would like to take, for illustration, the matter of wheat. We have fixed the price of wheat at \$2.26 per bushel. That is the Government's guaranty, and wheat is quoted at Kansas City from \$2.26 to \$2.27 per bushel. At the same time, Australian wheat sells for only \$1.05 per bushel. We appropriated \$1,000,000,000 for the pretended purpose of paying the loss on the Government's guaranty to the wheat farmer, or the difference between the market price and the Government's guaranty. But what is actually being done with that \$1,000,000,000 under the law that went along with that appropriation is to monopolize the wheat market and arbitrarily fix the price so that the people who consume wheat must absorb this loss instead of having it to come out of the Public Treasury, as other war losses are paid. It is being borne at the expense of the pockets—sometimes at the expense of the stomachs—of men, women, and children who eat bread. What we have done, in effect, is to levy a tax on the bread of the people of the United States to pay the

loss that the Government sustained by reason of its guaranty on wheat. The other day all of us received from the wheat director specimen contracts that he had sent out to the people in the business, including dealers, millers, etc. Flour has increased in price \$1.50 per barrel since the armistice was signed.

Those specimen contracts that were sent out show beyond doubt that it is the purpose of the wheat administration to keep the price of wheat up artificially by manipulating the market through a system of license and control, so that the people will have to pay the loss sustained by reason of that guaranty.

I would like to say, Mr. Chairman, that I am grateful for the hearing that the committee has accorded me. I had no intention of being so discursive, but I was led into it by the observations that were made. I apologize for having taken up so much of your time.

129899—19677

A Curb for Profiteers.

SPEECH
OF
HON. GEORGE HUDDLESTON,
OF ALABAMA,
IN THE HOUSE OF REPRESENTATIVES,
Friday, August 1, 1919.

Mr. HUDDLESTON. Mr. Speaker, the most pressing question confronting the American people is not the adoption of the treaty of peace with the league of nations, but the high cost of living. All during the war prices mounted day by day, the purchasing price of the dollar constantly grew smaller. The necessities of life which a day's wages would buy became steadily less and less. Profiteers were active in the land, and their prices were more and more extortionate. The economic sufferings of the people were mitigated somewhat by increases in wages; however, at no time did the increase in wages keep pace with the rise in the cost of living. From 1914 to the signing of the armistice prices of necessities of life increased 77 per cent, while the average increase in wages to labor of all kinds was only 34½ per cent; that is, for what the workingman could buy in 1914 for \$1 in the way of food, clothing, and so on, in November, 1918, he paid \$1.77, while for the same work for which he received \$1 in 1914 in November, 1918, he received only an average of \$1.34½.

PROFITEERING DURING THE WAR.

The people accepted the increases in the cost of living during the war with the best grace possible—they were willing to make their sacrifices—they were conscious that unjust prices were being charged, but bore with it with patience, hoping that the situation might clear when the war was ended. The armistice was signed eight months ago, but the cost of living continues to soar. Indeed, the situation is becoming rapidly worse. There has been a net average increase in the cost of the necessities of life since last November of more than 5 per cent, and the future promises darker results. Prices instead of declining are mounting on every hand, yet wages are not responding to the increase. Due to the demand for labor during the war the worker was able to add to his income by working overtime, holidays, and Sundays. But now there is much idleness; labor is plentiful; opportunities for the laborer to increase his wages by straining himself beyond the safety point are gone, so that the situation from the wage-earner's standpoint is becoming more and more aggravated.

The increase in the cost of living since 1914 has worked a great hardship upon wage earners, but it has oppressed people with small fixed incomes, small professional men, salaried clerks, and others who are unable to get increases to an almost unbear-

able point. It is they who have suffered most of all. The widow and orphan living off of a small inheritance or the interest on the insurance money of a departed breadwinner have been brought to extreme suffering. Disabled persons and others forced to depend upon their accumulated savings have been forced to eat into the principal until it is rapidly vanishing.

But the end is not yet in sight. Every day marks an added rise in price on some necessary of life. Every newspaper that we pick up tells us of soaring prices. Profiteers are not content with the millions that they were able to wring out of the people while the war was on. They are not satisfied to sober up from their war orgy of greed. They have had a taste of war profits, and they want to keep them up in time of peace. They are holding on to their 50 per cent and 100 per cent profits like grim death. They are unwilling to go back to normal and sane prewar business conditions.

MONOPOLY OF WEALTH AND RESOURCES.

Profiteering during the war was not confined to war contractors who took advantage of their country's peril to fill their strong boxes with unjust profits, but meat packers and dealers in the necessities of life took advantage of the opportunity to grind the faces of the people and to heap up fortunes running into many millions. It is estimated by a conservative authority that there are now over 25,000 millionaires in the United States—that is, 25,000 men who have property worth more than a million dollars—and that more than 8,000 new millionaires were made during 1918. The collection of the wealth and resources of the Republic into the hands of a few is highly dangerous to the public welfare. It is a threat to American institutions. It provokes the spirit of discontent and disorder and gives excuse to those who agitate for revolution among the great propertyless multitude. This is one of the political aspects of profiteering. Its moral aspects are just as sinister. It means poverty, degradation, and disease to the thousands of men and women who are its helpless victims. Love of country and mankind alike demand our serious attention to the situation.

I am happy to be in close touch with those whom I represent in Congress. I am the confidant and friend of the common man in my district. I have received many letters from them recently full of bitter complaints against the high cost of living. For some reason I receive from the masses of the people of the country at large many letters pleading with me to do something to relieve their distress. I believe that I do not overstate the case when I say that serious discontent pervades the entire country and is growing especially bitter among the populations of our great cities and industrial districts. The forbearance of the people is being stretched near to the breaking point.

RAILROAD BROTHERHOODS MAKE STATEMENT.

The President on yesterday gave to the press a statement submitted to him by the great railroad brotherhoods which presents the situation from the angle of their members.

The statements laid before the President may be considered extreme. That the President did not so consider them is evidenced by his giving them to the public. The propertied and business classes, I fear, do not realize the bitterness of the discontent which generally exists. It is highly important that they should take note of it.

A glance through the columns of a daily paper is sufficient to show the causes for resentment against high prices. We have the exposure of the extortion of the Packers' Trust recently made by the Federal Trade Commission. Coal operators have advanced their prices beyond the maximum war prices and are threatening further increases. Flour has advanced \$1.50 per barrel since the armistice was signed. The fever of extortion has run through the entire business world from the manufacturer, with his plant covering acres, down to the peddler, with his pushcart. After a few days hot weather comes an "ice famine," with a 25 per cent boost in prices. The 10-cent man's collar is now 25 cents, the \$1 shirt is \$2, the \$5 pair of shoes is \$10 to \$12. With cotton at 35 cents, we are paying on a basis of \$1 a pound for raw cotton for many kinds of cotton goods after allowing for all costs of manufacture and handling. Even bananas, that used to sell three for 5 cents are now 5 cents each. Green tomatoes 20 to 30 cents a pound, bacon 65 cents. Where will this thing stop?

CONGRESS SHOULD GIVE RELIEF.

I am greatly distressed that the House has been in session now for more than two months and has to-day decided to take a vacation for August without having attempted to do anything whatever for relief against high prices. I voted against the vacation for that reason. We have talked but have taken no action. We have threatened the packers but the bill rests in the committee. I am unable to learn of any measure which has been proposed or discussed which would attempt to give any general relief. I regret that Members of the House should be so unmindful of the wishes of the people at home as to be willing to return to them for a vacation without having taken some positive action against the profiteers.

I am not willing to leave this duty to others any longer, and, duly cognizant of the magnitude of the question, I feel called upon to present my solution of the profiteering problem as it presents itself to me. I can not escape the view that the only hope for relief against high prices is a thoroughgoing system of price fixing. Accordingly I have introduced a bill to that end. My bill would create a trade commission with power to fix prices on the necessities of life and upon the great basic commodities which constitute a foundation for all prices. It would forbid all combinations among producers and dealers to fix prices or to limit production and would forbid the sale of any necessary of life at a price higher than charged when the armistice was signed. It also would require that the cost and sale price be legibly marked on every article offered for sale.

I extend in the RECORD a copy of the bill as I have introduced it in the House, where it has been referred to the Committee on the Judiciary.

A CURB FOR PROFITEERS.

A bill to provide further for the national security and defense by encouraging the distribution of necessities, preventing the sale thereof at excessive prices, punishing conspiracies relating thereto, and otherwise regulating the distribution and sale thereof, and to create a national trade commission.

Be it enacted, etc., That by reason of the recent existence of a state of war it is essential for the national security and defense and for the restoration of peace and order to insure the equitable distribution and sale at reasonable prices of the necessities of life and of other commodities and to prevent scarcity, monopolizations, injurious speculations,

manipulations, and controls affecting the supply, sale, and distribution thereof.

SEC. 2. That all articles and commodities manufactured, produced, or sold to be used as food, clothing, feed stuffs, medicines, furniture and furnishings, building materials and supplies, tools, iron, steel, coal, coke, copper, and the materials used in producing said articles and commodities, gas, electricity, and transportation, and dwellings and apartments let for hire, shall be deemed necessities within the meaning of this act.

SEC. 3. That the words used in this act shall be construed to import the plural or the singular, as the case demands. The word "person" wherever used in this act shall include persons, firms, associations, and corporations. When construing and enforcing the provisions of this act, the act, omission, or failure of any official, agent, or other person acting for or employed by any person, firm, association, or corporation within the scope of his employment or office shall in every case also be deemed the act, omission, or failure of such person, firm, association, or corporation as well as that of such person.

SEC. 4. That the provisions of this act shall cease to be in effect at the expiration of five years after the date of the termination of the war between the United States and Germany, as same shall be ascertained and proclaimed by the President under section 24 of the act approved August 10, 1917, known as Public Law No. 41, Sixty-fifth Congress, but the termination of this act shall not affect any act done or any right or obligation accruing or accrued or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this act; but all rights and liabilities under this act arising before its termination shall continue and may be enforced in the same manner as if the act had not been terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination may be prosecuted or punished in the same manner and with the same effect as if this act had not been terminated.

SEC. 5. That any willful violation of the provisions of this act shall be punishable by a fine of not more than \$5,000 or by imprisonment for not more than five years, or both.

SEC. 6. That a national trade commission composed of five members, to be appointed by the President without confirmation by the Senate, each to receive an annual salary of \$5,000 and to hold office during the will of the President, is hereby created.

SEC. 7. Said national trade commission shall have authority to appoint agents and employees at their discretion, none of whom shall receive annual salaries exceeding \$5,000, and shall have the further powers conferred upon them by the provisions of this act.

SEC. 8. That said national trade commission shall have authority to fix the maximum sale, use, and service prices for necessities; to adopt regulations for the distribution, transportation, sale, handling, and storage of same; and to license dealers, agents, and other handlers thereof.

SEC. 9. That it shall be unlawful for any person to sell, offer for sale, deliver, or to make a charge for, directly or indirectly, any necessary at a price greater than the maximum price fixed thereon by the national trade commission, or if no such maximum price has been fixed, at a price or charge greater than such necessary sold for or was charged therefor on November 11, 1918; or to make any agreement, express or implied, with any dealer, producer, or handler thereof to fix or increase the price of a necessary or to limit the production of same; or not being a producer thereof, to sell, deal in, handle, or transport any necessary after 15 days after the approval of this act without permission or license, general or special, from said national trade commission.

SEC. 10. That it shall be unlawful for any person who has not produced the same to sell, exhibit for sale, or offer for sale any necessary without same being legibly marked in plain figures with the original cost to him and the sale price thereof, where such necessary is physically susceptible of being so marked or where same is not physically susceptible of being so marked, to refuse to inform any intended purchaser thereof of such cost and sale price.

SEC. 11. That the sum of \$1,000,000 is hereby appropriated to carry out the provisions of this act.

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CONSPIRACY OF THE RAILROADS

TO TAX THE PUBLIC ON THEIR DEBTS
AND RAISE THE COST OF LIVING

CAPITALIZATION DOUBLE THE COST OF
REBUILDING THE RAILROADS, NEW

SHALL DIVIDENDS ON BILLIONS OF WATERED
STOCK BE GOVERNMENT-GUARANTEED
AT 6 PER CENT?

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

AUGUST 18, 1919



WASHINGTON
GOVERNMENT PRINTING OFFICE

1919

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SPEECH
OF
HON. GEORGE HUDDLESTON.

CONSPIRACY OF THE RAILROADS.

Mr. HUDDLESTON. Mr. Speaker, the entire country was greatly shocked last week by the sensational charges made by the representatives of the railroad employees of gigantic frauds perpetrated in the capitalization of our railroads. The charges voiced by Mr. Plumb, attorney for the railway labor organizations, were so sensational and far-reaching as to cause amazement from one end of the Nation to the other.

The charges made against the railroads involve not merely fraudulent capitalization but almost every form of common stealing. It was charged that not only has the capital of railroads been ballooned by false issues of stock and securities, but the railroads have been robbed of their assets through every form of big and little graft.

This is a matter of momentous concern to the people. Upon the capitalization of railroads are the people required to pay a "fair return" through transportation charges. Every dollar of fraudulent addition to railroad assets or debts means that a tax through rates must be levied upon the people to make that dollar good. Every dollar stolen from the railroads is a dollar stolen from the people of the United States.

POISONED PUBLICITY.

The charges made against the railroads have the greatest significance, especially at this time, when the railroad owners are seeking to have Congress validate their capitalization and their debts by legislation. They are demanding of Congress a guaranty of an income upon their capital and debts. If Congress yields to their demands, the burden of all the frauds and stealing will be securely placed upon the shoulders of the people. There will be no hope for them to unload it in future. This is the big stake that the railroads are playing for. This is why they have carried on the most expensive propaganda in the history of our Nation, why they have bought newspapers and have poisoned all the springs of public information.

If the charges made by the labor representatives are true, Congress and the country ought to know it. If they are false, the welfare of the railroads themselves demands that they should be exposed. Congress can not legislate intelligently upon the railroad question without fuller knowledge on these subjects. If the charges are true, Congress must legislate having that fact before it. If they are false, we must shape our action accordingly.

For these reasons it is of the highest importance that a thorough investigation of the charges be made at once. The investigation must be made before any action is taken by Congress upon the pending railroad measures. We must either turn back the railroads to their owners without attempting to deal with the railroad question in any permanent way—turn the railroads back as near as may be as we received them—or we must know the facts upon these charges. It will be the greatest blunder in the history of Congress if we attempt to legislate upon the railroad issue without knowledge upon the truth of these charges.

RESPONSIBLE CHARGES OF FRAUD.

Now, I am not disposed to treat these charges lightly. We have been hearing rumors of these frauds for many years. Suspicion of dishonesty in connection with railroad management exists very generally in the minds of the people. Besides this, is the fact that representatives of over 2,000,000 railroad employees, comprising some of the most conservative labor organizations in the world, have made the charges. These labor officials assert that the charges are true. They are demanding an investigation of them. Representing more than 2,000,000 citizens of our country, come these charges and this demand for an investigation. More than one-tenth of the entire population of the United States may be said to be back of these charges. The people back of them are railroad employees, many of whom have an inside knowledge of the facts. Outside of the railroad managers no class of our citizens has so much knowledge of this subject. The charges, therefore, are to be taken with the greatest seriousness. They are worthy of the attention of Congress. We can not afford to do less than give the full investigation which is demanded.

Mr. Speaker, the 4 railway brotherhoods and 10 affiliated railway labor organizations of the American Federation of Labor, who prefer these charges, have for the last 25 years been recognized as the most conservative and responsible labor unions of America. They declare that they are "prepared during the investigation which we invoke to substantiate each and every one of these charges." They charge the fraudulent doubling of the property investment accounts of the railways above their cost of reproduction, new; and that the railway executives are conspiring through banking houses and interlocking directorates and the United States Chamber of Commerce to fasten this fraudulent capitalization upon the public as a legal basis for taxing the transportation of goods. They specify hundreds of millions of stock bonuses representing not one dollar of investment in the public highways, on which, nevertheless, the railroads ask the public to pay dividends. They specify millions of acres of lands given by State and Federal Governments to the railroads that go to swell their investment accounts on which returns are demanded; they charge hundreds of millions of excessive earnings above dividend requirements, plowed into the properties and made the basis for rate exactions.

AS TO PADDED PAY ROLLS.

They charge that President Underwood, of the Erie Railroad, states that pay rolls of employees have been enormously padded by the Railroad Administration, and that if this has been done

it has been by collusion of railway managers, at the instance of Wall Street, in order to make it appear that Government control is wasteful and extravagant.

They charge that by like collusion immense quantities of railway supplies have been bought beyond present needs and at Government expense under war prices in order that these supplies may be used when the roads go back to private control.

If these charges so responsibly made are true, then there is a barefaced attempt to defraud the American public of billions of dollars at a time when they are staggering under the burden of living costs. It would be a disgrace to Congress if this demand for an orderly and lawful investigation should be denied or smothered in committee. The railway labor organizations declare that the evidence which they will adduce bears directly on legislation involving the possible return of the railroads to the alleged looters and plunderers of the public highways. If, as they say, they have in their hands the evidence of such gigantic plundering and looting, or can point out where it can be obtained, what reasonable objection can be raised to granting an investigation?

UNREST AT DANGER POINT.

Mr. Speaker, we can not properly refuse the lawful requests of labor leaders who seek a constitutional means of allaying the unrest that is rising to the danger point. The moment the millions of men of the labor organizations become convinced that Congress will not heed the reasonable requests of their leaders, we may look out for trouble. The moment the people of the country become convinced that an attempt is being made—mind, I am not charging that such an attempt is being made, but I urge upon this House speedy action—the moment they think they see an attempt to smother or delay investigation into charges of such magnitude and gravity, then forces will be let loose in this Republic that might eventually become ungovernable. The warning of the leaders of the American railway labor movement should not be lightly disregarded. They have been repeatedly uttered, accompanied by these charges. Shall we ignore them now?

Mr. Speaker, we have been hearing vague rumors of these matters for years. They have been charged in newspapers and elsewhere, but nobody heretofore has come forward and said, "I make that charge; I have the proofs; I demand an investigation; I offer to prove what I say." For the first time in the history of this question in this country have we a responsible body of men coming forward and saying, "We stand ready to prove the truth of these charges."

DEMAND FOR AN INVESTIGATION.

Meanwhile the representatives of the employees continue to reiterate their far-reaching charges. Only to-day their attorney and spokesman, Mr. Plumb, wrote the chairman of the committee a letter formally repeating the charges and demanding an investigation of them. I extend this letter in the Record, as follows:

WASHINGTON, D. C., August 18, 1919.

Hon. JOHN J. ESCH,
Chairman Committee on Interstate and
Foreign Commerce, House of Representatives.

DEAR MR. CHAIRMAN: My attention is called to a report in the Washington Post to the effect that you intend to confer with officials of the Interstate Commerce Commission in order

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to learn whether it will be practicable for that body to conduct the investigation of railroad financiering which I have requested on behalf of the organized railway employees of America.

May I say, with reference to this report and with reference to your questions of like purport put to me when I preferred the charges of the railway brotherhoods and their 10 affiliated railway labor organizations of the American Federation of Labor, that I fear you have missed the intent which actuated the preferment of those charges at this time. The investigation should be made and reported upon before Congress acts.

Congress needs enlightenment. If a political conspiracy exists, as responsibly charged by labor organizations generally acknowledged to be the most conservative in America, to seek validation by Congress of billions of fictitious railroad securities, prompt investigation is needed by a committee of the House or Senate, or preferably by a joint committee of both Houses, of evidence which we are prepared to make available. Congress has now the railroad problem before it. Neither Congress nor the American people can pass intelligently upon this problem without the information which we have and are prepared to submit.

Now, if Congress wishes to designate the Interstate Commerce Commission as the instrument of the investigation demanded, well and good. But it should be expressly provided that the investigation be prompt, in order that the report of the commission upon the catalogue of charges may be placed before Congress and the public before the enactment of any measure looking to the restoration of the railroads to hands which we denounce as unclean.

CHARGES REITERATED.

With all deference to you and to the great committee of the House on Interstate and Foreign Commerce, of which you are the honored chairman, permit me to reiterate these charges, which have been made with the utmost deliberation and care, with a full sense of their gravity, and sustained by the weighty and conservative forces of American labor unions with the offer at once to substantiate each and every of them:

We charge that the railroads of the United States seek of Congress legalization of a fraudulent property investment account, fraudulent by billions of dollars and built up in violation of the constitutions of the separate States and of the United States. On the basis of these fraudulent billions they seek to fasten, through act of Congress, a charge upon the cost of living of the entire Nation by exacting a return of at least 6 per cent from excessive transportation rates.

We charge that the men who are pushing this conspiracy through the United States Chamber of Commerce and other bodies are controlled in whole or in part by the Morgan interests, the Rockefeller interests, and the Gould interests. Through the interlocking directorates of banks and trust companies these three financial groups control the 254,000 miles of railway of the United States. We will submit complete charts showing these interlocking directorates and financial interests in their relation to the railroads.

DOUBLE THE COST OF REBUILDING, NEW.

We charge that the five railway valuations first completed and published by the Interstate Commerce Commission show the aggregate property investment accounts of the railways named therein to be double their estimated actual cost of reproduction, new. We charge that, so far as the valuation division of the Interstate Commerce Commission has valued railroads, after nearly completing its survey of the entire transportation area of the United States, this ratio of double the estimated actual cost of reconstruction, new, holds constant with respect to the aggregate property investment account as submitted by the railroads. It is upon this fraudulent investment account which the United States Chamber of Commerce and the financial interests behind it ask Congress to compel the American people to pay over 6 per cent in yearly returns.

We charge that wherever the Valuation Division of the Interstate Commerce Commission has found the investment
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account, as stated by the carrier, equal to its estimated cost of reproduction, new, it is due to surplus and excessive earnings after ample dividends have been declared to stockholders and bondholders, and that these excessive earnings extorted from the public have been plowed into the property and made the basis for corresponding and unwarranted transportation charges.

We demand investigation of the statement made by President Underwood, of the Erie Railroad—and, since these charges were made, reaffirmed by him—that the railroad employment pay rolls have been padded under Government control in order to build a political machine. We charge that if it is found that the pay rolls have been so padded, the railway managers have padded them to make the expense account under Government control seem extravagant and wasteful.

ROADS SYSTEMATICALLY STARVED.

We charge that when the Government took control it found the railroads systematically starved in the interest of the financial groups named. It found their roadbeds and rolling stock depleted. It spent hundreds of millions of dollars to put them in condition. We charge that managers under the control of these financial groups have diverted vast sums of the Government's money for upkeep and supplies, not only for present needs, but anticipating the long future after the railroads should be returned to their private looters and despoilers. They have piled up these supplies for a long period of operation ahead, paid for out of the people's money at exorbitant war prices.

We charge that the Interstate Commerce Commission was six years ago directed by Congress, in the provisions of the valuation act, to find and report upon the value of all aids, gifts, and grants made to railway corporations, the value of those grants at the time made, and the value of the portions of the grants still in the possession of the carriers at the time of valuation. This work has not been done.

EMPIRE GIVEN TO RAILROAD PROMOTERS.

We charge that an area of land larger than the combined areas of the New England States, New York, Delaware, New Jersey, Pennsylvania, Maryland, Ohio, Indiana, and Illinois has been given by the United States and by State governments to the railroads without compensation and in order to help them build the Nation's highways. We charge that of these grants, making allowance for the 115,000,000 acres patented and the 35,000,000 acres forfeited prior to June 30, 1910, the greater part of over 40,000,000 acres remains available. The values of these grants have been sequestered by railway promoters or capitalized as part of the book values of the railway properties on which the railroad corporations directed by the financial groups named herein now ask Congress to permit them to extort fraudulent returns from the public.

RECORD OF FRAUD.

We charge that the property investment accounts of the railroads have been fraudulently doubled above their estimated cost of reproduction, new, by such means as these: The \$250,000,000 in bonuses given away to their stockholders from 1900 to 1910 by the Chicago, Burlington & Quincy Railroad; by the Chicago, Milwaukee & St. Paul; the Chicago & North Western; the Great Northern; the Illinois Central; and the Southern Pacific. On this \$250,000,000 of excess capital in 1913 alone the public was compelled to pay more than \$11,000,000. The public had to pay in that year \$4,317,000 on stock fraudulently issued by eight eastern railroads during 1900 to 1910 for \$101,000,000 less than the market value. During the same period 18 representative railroads running through all parts of the country gave away stock bonuses aggregating \$450,000,000. On these the public has had to pay—now pays.

We wish gravely and responsibly to point out that these gigantic frauds, of which we have given only instances, now work to overburden the people with charges on their cost of living.

We wish to show that the people have given gifts to the railroads, and that the railroads are taxing them upon those gifts for the sake of their private owners. We wish to show that they have perpetrated fraud after fraud upon the public, looted the vast railroad systems of the Nation, and that they now bring the record of their loot and plunder to Congress, saying: "Make it lawful and let us exact a toll of 6 per cent upon these billions that we have fished. That will restore our credit."

They ask further that the livelihood of over 2,000,000 railway employees and their families shall be placed again at their tender mercies. Lawless and irresponsible, they accuse the responsible leaders of the American labor movement of attempting to foment revolution. Instead, we show that we are law-abiding. We appeal to the people, to Congress, and the courts. We ask that the constitution of the States and of the United States be vindicated. We ask for an immediate and peaceable hearing of our charges, responsibly made.

You will recall the earnest warning uttered to your committee by Mr. Garretson, in which he said that it is largely within the power of Congress to allay the unrest which is taxing to the utmost the energies of the labor leaders to restrain. In this law-abiding course we ask your aid. We ask that our charges be respected and heeded, that this hearing be had, that the investigation prayed for be made, and that a report upon the findings be laid before Congress before it acts to restore the veins and arteries of the Nation to the private financial groups that have drained them of their life-giving properties.

Very sincerely, yours,

GLENN E. PLUMB,
Counsel for the Organized Railway Employees of America.

RESOLUTION TO INVESTIGATE.

Now, Mr. Speaker, I have introduced a resolution asking for an investigation of these charges. It has been referred to the Committee on Rules. The resolution provides for the appointment of an investigating committee. I think that is the way to get at this matter. It will not answer to refer it to the Interstate Commerce Commission. They have been dealing with various aspects of this question and have some facts, it is true but they have not had this identical question put upon them. Decision has not been asked of them, and many of its aspects are beyond the scope of the investigation that they could carry on. The commission is loaded down with work; it is not possible for them to make promptly an investigation, as it ought to be made. The work should be carried forward by a committee of the House, as it seems to me. The full facts should be brought out before the Committee on Interstate and Foreign Commerce reports on the measures proposed by the railroads which would validate their securities and make good the capitalization and debts of these great corporations. We ought to know the true facts before it is put out of the power of the people to ever get relief from such a situation. This is not an issue in which merely the railroad companies and the employees are concerned; it concerns the whole people of the United States. They should not be required during all the years of the future to pay tribute to the railroads upon a fictitious capitalization.

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For information of the House I attach my resolution calling for an investigation of the charges made by the representatives of the railroad employees, House resolution 243:

House resolution 243.

Whereas sensational charges have been made before the Committee on Interstate and Foreign Commerce by the responsible representatives of 2,200,000 railroad employees, that the railroads of the United States are now seeking to validate billions of fraudulent capitalization, thereby burdening the American people in their cost of living with unjust and oppressive charges for transportation; and

Whereas if this gigantic fraud has been perpetrated the American people are entitled to know it and the full extent thereof: Now, therefore, be it

Resolved, That the Speaker of the House of Representatives be, and he is hereby, directed and empowered to appoint a committee of six Representatives in Congress, which committee shall be charged with the duty to investigate and ascertain and report upon the truth of said charges, to wit:

1. Whether it is true, as charged, that the railroads have fraudulently issued vast sums in securities in excess of the consideration paid therefor, and, if so, the extent of such usurpation.

2. Whether it is true, as charged, that such railroads have expended on their properties out of excess earnings large amounts received by them as payment for such service, and, if so, to what extent and amount, and how far such expenditures are now represented in their investment accounts.

3. Whether it is true, as charged, that gifts, grants, aids, and donations of great value made to said corporations in aid of the construction of their railways have been appropriated to the private benefit of promoters or capitalized against the public in property investment accounts, and, if so, to what extent.

4. Whether it is true, as charged, that the pay rolls of the railroads while under Government control have been padded for political purposes, and, if so, on whose responsibility such expenditures have been made and the extent thereof.

5. Whether it is true, as charged, that while under Government control the managers of the railroads have spent large and unnecessary sums for the maintenance and renewals of their properties, and for overcoming past depreciation, and, if so, to what extent, and on whom rests the responsibility therefor.

SEC. 2. That for the purpose of said inquiry the said committee shall have power to send for persons and papers, administer oaths and affirmations, take testimony, to sit during the sessions of the House or during any recess of the House, and may hold its sessions at such places as the committee may determine. Said committee shall have the right at any time to report to the House in one or more reports the result of its inquiries, with such recommendations as it may deem advisable. The Speaker is hereby empowered to issue subpoenas upon the request of the chairman of said committee at any time, and during any recess of the House throughout the inquiry of the committee, and the Sergeant at Arms is hereby empowered and directed to serve all subpoenas and other process transmitted to him by said committee. Said committee is hereby authorized to employ such attorneys, counsel, auditors, statisticians, investigators, clerks, and other agents as it may deem fit for the purposes of such investigation.

SEC. 3. That the sum of \$100,000 is hereby appropriated to carry out the provisions of this resolution.

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BIG BUSINESS IN BIG POLITICS.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

October 25, 1919.

The House had under consideration the bill (S. 2775) providing for the leasing of public lands containing oil, coal, and other minerals.

Mr. HUDDLESTON. Mr. Chairman, I confess that I view this bill with apprehension. I might say that I view it with suspicion. The Government of the United States within a hundred years, with what it received in the way of grants from Mexico and the Louisiana and Alaskan Purchases, has owned more in the way of public lands than was ever possessed by any government or by any people in the previous history of all the world.

We have frittered away those lands until now almost nothing remains. We gave to the railroads enough of our public domain to equal the area of all the States north of the Ohio and east of the Mississippi Rivers. The people of the United States got very little, if anything, in return. The lands went into the capitalization of the railroads. They and their proceeds are yet being carried as railroad assets where they have not been stolen by railroad promoters, and the people of the country are required to pay taxes in the way of rates to pay an income to the railroads on those lands.

The vast public domain carried deposits of gold and silver, and of iron, coal, and other minerals rich beyond the dreams of imagination. What have the people of the United States received of benefits for all those splendid resources of rich surface and priceless minerals?

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Excuse me, please. Of course, we have received very little, if any, benefits. I admit that I do not like to think of our Government as a great landlord of either the surface or of the minerals in the lands, and I should have no great grief if this great wealth of the Nation had been evenly divided out among the people. If the people of the United States who were here then or who have come since, or who are now here, had had divided among them with any sort of equity or equality this great natural wealth, I should not feel so much distressed. But the fact is that nearly all of this, our national resources, has gone into the hands of a few—the few have been the chief beneficiaries. The fact is that nearly all of this wealth of fertile soil and minerals has been monopolized by a few men, who use it not for the honor and greatness of our country, but who use these resources collected into their hands by unjust, oppressive, and frequently dishonest methods as a means of further oppression. They use the resources which were once the common property of all as a further means of exploiting labor and grinding the faces of the poor, as a further means of heaping up greater stores of wealth and aggregating

the riches of America into the hands of the few, while the great multitude sinks deeper into despair.

The great concern which fills my heart is, who shall get the benefits of this bill, who shall get the minerals that will be granted under this bill? If they are to go into the hands of the monopolists, who now control practically all the minerals not on public lands, then I would see in the passage of this bill the fall of a calamity on this country.

I shall vote against this bill. I view it with perhaps what some may call unreasonable suspicion, but in the light of the past experience of the people of this country I fear the resources granted by it will eventually go into the hands of the monopolists. I regard these men and their methods as a danger to American institutions, as a danger to the welfare of our Republic, to the future of this country, and to the liberties of the people, and I would not add one hair's weight to their strength or influence. They are not content merely to take for themselves our natural resources, but they usurp the right to dictate to men in public office, to the representatives of the people—they assert the right to rule our country and control its public affairs. They do not dare to try to govern by open and public means, but resort to conspiracy and hidden methods.

I am unwilling to make further grants of our resources to the men who are now abusing what we have granted heretofore. Captains of industry must show a new spirit before I will consent to add to their opportunities for evil. Even to-day I have had brought before me a new illustration of the lust for power of those who dominate the great coal-mining industry. The chief purpose of my speaking to-day is to lay the situation before Congress and the Nation.

BIG BUSINESS IN ACTION.

Big business acts for business reasons, not upon considerations of altruism or patriotism. Big business is cold and selfish. It knows neither religion, country, nor sentiment. It bends its every thought to obey the precept, "Put money in thy purse." Its god is profits, its country wherever good returns may be had from investments, its humanitarianism is how to get the greatest amount of labor for the smallest outlay.

The evil mainsprings of big business are so universally detected that men interested in public questions are quick to charge big business with opposing them. The support of big business is a liability, not an asset, when public sentiment is involved, so that great financiers and captains of industry, when seeking to control public action, operate through parasite newspapers and secret channels.

The enemies of the league of nations have been bold in charging that certain great financial interests are working for the adoption of the league. So far as I can learn no proof of this charge has been offered. It has not been commonly known that certain powerful business interests are secretly fighting the league of nations. The charge that such is a fact should not be lightly made, and I should not make the charge except for the fact that I hold proofs to sustain it in my hands. *I here charge with all deliberation that certain of the great employers of the United States are fighting the league of nations because of the labor clauses contained in its covenant.* The fight is being made in secret. It wears the hypocritical cloak of patriotic opposition. No doubt much of the opposition to the

league of nations is sincerely on patriotic grounds, but the particular opposition of these captains of industry is inspired by the base love of gain and of brutal autocratic power over their employees.

I am reminded of the opposition of these powerful employers by the adoption on yesterday by the Senate Committee on Foreign Relations of the fourth reservation to the covenant of the league of nations, from which reservation I quote:

The United States reserves to itself exclusively the right to decide what questions are within its domestic jurisdiction, and declares that all domestic and political questions relating wholly or in part to its internal affairs, including * * * labor * * * are solely within the jurisdiction of the United States and are not under this treaty to be submitted in any way either to arbitration or to the consideration of the council or the assembly of the league of nations or any agency thereof or to the decision or recommendation of any other power.

"LABOR'S GREAT CHARTER."

In order to understand the significance of this reservation it is necessary to refer to Article 23 of the covenant, from which I quote:

ARTICLE 23.

Subject to and in accordance with the provisions of international conventions existing or hereafter to be agreed upon, the members of the league—

(a) Will endeavor to secure and maintain fair and humane conditions of labor for men, women, and children, both in their own countries and in all countries to which their commercial and industrial relations extend, and for that purpose will establish and maintain the necessary international organizations.

I also quote from Part XIII of the annex to the covenant, being the provision relating to labor:

Whereas the league of nations has for its object the establishment of universal peace, and such a peace can be established only if it is based upon social justice;

And whereas conditions of labour exist involving such injustice, hardship, and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled, and an improvement of those conditions is urgently required, as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week, the regulation of the labor supply, the prevention of unemployment, the provision of an adequate living wage, the protection of the worker against sickness, disease, and injury arising out of his employment, the protection of children, young persons, and women, provision for old age and injury, protection of the interests of workers when employed in countries other than their own, recognition of the principle of freedom of association, the organization of vocational and technical education, and other measures;

Whereas also the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries:

The high contracting parties, moved by sentiments of justice and humanity as well as by the desire to secure the permanent peace of the world, agree to the following:

Following this preamble are Articles 387 to 427, which provide generally for the organization of a labor conference, international labor office, and so forth, and prescribe the rules and principles which shall govern in labor matters, including Article 427, which I quote:

ARTICLE 427.

The high contracting parties, recognising that the well-being, physical, moral, and intellectual, of industrial wage earners is of supreme international importance, have framed, in order to further this great end, the permanent machinery provided for in Section I and associated with that of the league of nations.

They recognise that differences of climate, habits, and customs, of economic opportunity and industrial tradition make strict uniformity in the conditions of labor difficult of immediate attainment. But, hold-

ing, as they do, that labour should not be regarded merely as an article of commerce, they think that there are methods and principles for regulating labor conditions which all industrial communities should endeavour to apply so far as their special circumstances will permit.

Among these methods the principles the following seem to the high contracting parties to be of special and urgent importance:

First. The guiding principle above enunciated that labour should not be regarded merely as a commodity or article of commerce.

Second. The right of association for all lawful purposes by the employed as well as by the employers.

Third. The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country.

Fourth. The adoption of an eight hours day or a forty-eight hours week as the standard to be aimed at where it has not already been attained.

Fifth. The adoption of a weekly rest of at least twenty-four hours, which should include Sunday wherever practicable.

Sixth. The abolition of child labour and the imposition of such limitations on the labour of young persons as shall permit the continuation of their education and assure their proper physical development.

Seventh. The principle that men and women should receive equal remuneration for work of equal value.

Eighth. The standard set by law in each country with respect to the conditions of labour should have due regard to the equitable economic treatment of all workers lawfully resident therein.

Ninth. Each State should make provision for a system of inspection, in which women should take part, in order to ensure the enforcement of the laws and regulations for the protection of the employed.

Without claiming that these methods and principles are either complete or final, the high contracting parties are of opinion that they are well fitted to guide the policy of the league of nations, and that, if adopted by the industrial communities who are members of the league and safeguarded in practice by an adequate system of such inspection, they will confer lasting benefits upon the wage earners of the world.

The labor provisions of the covenant have been called "Labor's Great Charter." They have met the approval of the leading thinkers and humanitarians of all the world as constituting one of the greatest things in the league of nations and as justifying its adoption though nothing else were accomplished.

The fourth reservation to which I have referred is directly aimed at the labor provisions of the covenant. It is clear to my mind that this reservation is intended to nullify them as far as possible and to leave the tolling masses of the nations a fair prey to all employers strong enough to exploit them. It is clear that it is proposed in response to a demand from some source for such action. The demand is not a public demand. It has not been voiced in the press. Its source is evidently in the oppressive employers who would rob labor of the protection which the covenant gives. Who are these employers who are secretly fighting the league of nations? I think I can answer that query in part at least. *They are the coal operators of the United States.*

COAL BARONS RAMPANT.

The National Coal Association is the organization of bituminous coal operators. It comprises some three-fourths of the total soft coal production. It is composed of representatives of various coal-producing districts. The directors of the National Coal Association held a meeting at Hotel Sinton in Cincinnati, Ohio, on June 19, 1919. There were present President H. N. Taylor, of Kansas City, and the following: George H. Barker, C. H. Jenkins, C. E. Bockus, J. C. Layne, jr., D. C. Botting, F. M. Lukins, J. G. Bradley, E. C. Mahan, John S. Brophy, A. M. Ogle, Ira Clemens, Philip Penna, J. D. Francis, Robert M. Randall, W. K. Field, S. H. Robbins, E. M. Gray, C. W. Taylor, A. R. Hamilton, J. J. Tierney, W. M. Henderson, F. C. Honnold,

J. D. A. Morrow, and others. Erskine Ramsay, representing the Alabama Coal Operators' Association of my own State, was present at the meeting.

Practically the first order of business at this meeting of the directors of the National Coal Association was the consideration of the labor provisions of the covenant of the league of nations. I will quote the exact words spoken by various directors upon said subject, omitting for brevity statements not strictly germane:

President TAYLOR: * * * I have brought over with me and distributed among our members, so far as I had a sufficient number of copies of the pamphlet to do so, the labor plank in the league of nations program, which if it is adopted by the Congress in the league of nations, or rather by the Senate, will become practically the same as the Constitution of the United States and will not be subject to repeal or revision at any time. In that plank the right to organize and regulate working hours, the number of days per week and in vocational occupations of all kinds, is placed in the hands of a committee to be practically controlled by labor; and unless we as employers take some action we are going to find ourselves greatly handicapped in the running of our business. It has occurred to the chair that there should be a committee on industrial relations appointed, but the chair did not wish to take upon himself appointing that committee until he got the consent of this body as to the advisability of such appointment. The committee if appointed should be not a majority nonunion, but as these rights are being given to labor through that plank in the league of nations, it goes beyond anything that has been accomplished by the union in past years, everybody is vitally interested, both union and nonunion in this league. I wish we had enough pamphlets here so that everybody would have a copy of them on the floor, but we have not, but those who have them can loan them to such others of the members as wish to see them. Not wanting to do something that was in any way unpleasant or against the wishes of any part of our organization, I thought I had better bring this up to-day and get the sense of this meeting, and if it was the wish of the meeting that we then appoint a committee on industrial relations, so that somebody would be directly responsible for whatever effort this association cared to make in combating such a wholesale surrendering of our rights as that clause in that plank contains. It takes away most of our rights. If you read that you will see that the delegate has a right to deputize any agitator he wants to. In other words, they can bring in all kinds of agitators and vote away your rights. *Something should be done to bring it before our Congressmen and Senators or else we are going to lose all our rights for the rest of our lives and for many generations to come.* * * *

CALLS IT "WORLD-WIDE SOCIALISM."

J. D. FRANCIS: *In going over this labor program of the league of nations, it seems to me to contemplate a world-wide socialism, a socialism of a kind and character and extent that even the socialists of five years ago would have thought most drastic.* We can not depend upon the political officers of this country to look after our interests in this matter unless we stand behind our own interests. Our Representatives in Congress rarely hear from us on any of these subjects; we all wait for the other fellow to take the matter up with his Congressman, and we expect a little bit too much from him. While we are sitting idle the representatives of labor and the representatives of various organizations who are interested in having these things put through are carrying on year by year and day by day constant propaganda. We can not blame our Congressmen so much if they feel that the word that they get from these organizations is the correct view of the American people if that is the only word they get from their home associations. I think this association should take an active interest in matters of this kind, which are in their very nature political, and that we must, if we are to protect the interests not only of the coal industry but the interests of the United States of America, keep the form of our Government as it is to-day. We must get right down to these matters and fight for our rights. I think that this association, representing very largely the employing interests in these United States, should take an active interest in this matter and appoint a committee that will stand up and fight for the rights of the employer and the rights of the American citizen who believes in individual initiative and individual effort.

LUMBER MAGNATES ALSO.

President TAYLOR: *I might say that the National Lumbermen's Association, which is similar to the National Coal Association, is an organ-*

zation composed of the different lumber associations all over the country, and they took action on this matter last week and have appointed a committee to represent the entire lumber industry of this country from the Pacific coast to the Gulf in their protest against this plank in the league of nations. The lumber mills, with very few exceptions, are nonunion and they figure that this plank absolutely takes their business out of their hands. They are very much worked up over it. I have a letter from their general council advising of their action and suggesting that this matter be laid before us. I think the lack of interest we have so far shown in it is due to the fact that none of us have received this matter before. I have not found anybody that has ever seemed to realize what was going on. It might be well, inasmuch as only a few of us have seen that, for our secretary to read at least the preamble.

The Secretary, Mrs. H. S. Taylor, then read an excerpt from the CONGRESSIONAL RECORD, issue of June 9, 1919, page 884, the preamble, under "Part XIII, Labor," which I have already quoted.

President TAYLOR: The preamble covers about every phase of it about as wide as it can go; I do not know of anything that is left out of it.

SUGGESTS A DISGUISE.

F. S. PEABODY: In discussing the problem of the league of nations if we pick out of this one plank particularly in the league of nations and come out as an association against that particular plank we are going to solidify, in my opinion, public opinion for the league of nations. I think we have got to look at the question in a very broad light. There is nothing that will bring the league of nations to a focus and get the approval of the people of the United States more quickly than by organizations of employers coming out against the league of nations on that particular plank. My feeling is that if we come out against the league of nations it wants to be on very much broader and bigger grounds. We want to come out on account of the Monroe doctrine or some other thing that will appeal to the people of the United States rather than solidifying the people of the United States for the league of nations. Personally, with as little knowledge as I have and as little knowledge as any one of the ordinary citizens of the country has in regard to the league of nations, I am definitely opposed to the league of nations being put in the peace treaty. If the league of nations goes through, I think it should be only after we have heard the reasons for it from Mr. Wilson and Mr. LODGE's reasons against it, and not until after we have had an opportunity to make a thorough analysis and to have analyses made by the leading and principal men of this country as to what the meaning of the league of nations is. If we come out now as the National Coal Association against the league of nations only on account of that labor plank, I think we are going to hasten our doom.

T. T. BREWSTER: If I understand it from what has been said, the action of this committee will be with reference to the preamble concerning labor in that league of nations document—that this committee is to report in regard to that clause or preamble in the league of nations. * * * If it is as I gathered from the language of the speaker who was talking when I came in, it was in reference to some influence or control upon legislation that the committee was to be appointed. If that be the fact, I believe that the committee on governmental relations could handle this question. If it is for the purpose of modifying or influencing legislation, it seems to me the matter should also be in the hands of the committee on governmental relations. * * *

IRA CLEMENS: I think it very essential that this committee should be appointed. We have to have some one who will look after the interests of this association and be able to keep them advised from time to time; and, as I understand it, this motion contemplates having somebody to do the work and be ready to report at any time that they deem advisable. * * *

F. C. HONNOLD: Since this is decidedly a governmental question, it belongs particularly to our governmental relations committee. If in the judgment of the meeting a similar committee would be more effective, let it be selected on the basis suggested of union and nonunion from the governmental relations committee. This probably is only one item out of numerous items that will come up during the next six months, all of which should be centered in the activities of the governmental relations committee, which, as a committee, has been definitely representative and thoroughly capable. I will sustain Mr. Brewster's motion to refer it to the governmental relations committee. * * *

President TAYLOR. As I understand it, there was a motion to appoint a committee, to be known as the industrial relations committee. Dr. Hinnold now offers as a substitute motion to make reference of this matter to the governmental relations committee. * * *

"THOSE WITH ONE EYE ARE KINGS."

PHILIP PENNA. * * * I do not want the union operators, without the permission and consent and invitation from the nonunion operators, to interfere with the nonunion operators' rights in the matter; or do I want them to interfere with the union operators' rights. At the present writing, because of the seeming competitive and complicated questions in the coal business, a great many of us are apt to think that the union operators' and nonunion operators' interests are crosswise, whereas if we would get behind the facts and get down to the last analysis, we shall find that all these relationships, instead of being crosswise, are identical, perhaps not to-day or to-morrow, but our industry is something that is going to last for long years, and our interests are not so opposed to each other as a mere glance at the situation would indicate. I can not but believe that the time has come from outside pressure, governmental pressure, public opinion, when we are going to have to revise to a very great extent our personal views of the industrial situation not only in this country but of the world; and we are going to have to recognize that fact, whether we like it or whether we dislike it. *Some of these things that are so repugnant to-day that our President referred to, and which seem so offensive to any man that likes to feel that he is independent, we are going to have to swallow, gentlemen, as an industry, sooner or later.* * * *

T. M. LUKINS. * * * So far this association has not had practically any labor troubles, but we can not expect that that is going to continue. The union operators are going to have their troubles, and probably the nonunion operators are going to have theirs. It would be very strange if they didn't. If Mr. Penna's proposition is correct, why, the nonunion operators are going to have plenty of them, because they are going to be unionized, according to that document there.

Personally, I do not think that this country is going to accept the league of nations as it is now drawn. I believe that they will adopt Mr. Peabody's view, and that it ought to be separated from the peace treaty and treated on its merits. If it is a good thing for the country, it will be adopted. If it is not a good thing, it will not be adopted. I believe there are so many different things about it that will be bad for this country that I do not believe the people will be for it. * * *

CALLS IT "TIN CAN ON DOG'S TAIL."

J. G. BRADLEY. * * * It would not make any difference to me if every member of it were a union operator, because this question is of so much importance not only to our coal industry but to every other business in which we are interested, and we are most of us interested in other businesses. We had no idea when President Wilson went abroad to negotiate a treaty that he was going to put into that treaty provisions which would give organized labor the status which it is proposed to give it here. I have great respect for the Constitution of the United States. * * * *And here comes labor under the treaty clause of the Constitution and tacks this tin can onto the dog's tail, and that is the objection.* * * *

J. J. TIERNEY. * * * If labor is given this chance under this treaty there are probably more hidden parts in there on which other legislation can be enacted. * * * Are we willing to part with the rights that we have under the Constitution and accept a treaty that means taking away from our rights or are we going to stand up and say that the Constitution is good enough for us and let this treaty go by the board? * * * *I am bitterly opposed to it. I think the sooner this association—and every other association in the United States—gets to work and kills the thing, the better off we will all be. I think to-day that the lumber people and the manufacturers are taking the same view that we are.* * * *

RUSH C. BUTLER. I do not rise to debate the question but merely to call your attention to the fact that inasmuch as the opinion, with reference to that provision of this league of nations seems to be unanimous as to the point involved here, it is up to us now to consider the manner in which you will handle this particular proposition. I say we seem to be a unit on the main idea. How shall we act upon it? * * * The question seems to be whether or not it is advisable to create a special committee to deal with this matter or whether it would be better to cover it up, so to speak, by referring it to the governmental relations committee. * * *

PHILIP PENNA. Let me ask you a question. Isn't it a fact that it is forced upon us now by governmental interference—by the league of

nations, for instance, by our representatives in France, and isn't it a fact that that question is forced upon us now?

RUSH C. BUTLER. Yes; I think you are correct in that. * * *

PARLOR SOCIALISTS AND THE WHITE HOUSE.

PHILIP PENNA. * * * If I understand the situation at all, the labor unionists of the world have captured the French conference, and they have manipulated the whole proposition until their platform has practically suspended the Constitution of the United States. It very nearly gives them authority to go over there and agree upon their own appointees and their own conference and then come over here and tell the American Congress what to do and how to do it. There is no use for us to attempt for a moment to ignore the fact that we can not deal with this question without raising the issues of unionism or nonunionism. There is no other issue here except whether unionism shall control the legislature of the members of the league of nations, whether unionism shall control the industries of the countries that are parties to this league of nations, or whether the employers of labor shall control it.

* * * As I see it, the issue is whether unionism is going to dominate the nations that are members of the league of nations or whether our legislatures and our constitutions are going to dominate. I hope that I am mistaken in saying that this league of nations is going to be accepted by the American people, but I do believe it, because it is so tied up and interwoven by the parlor socialists of America together with the White House at Washington that it is difficult to resist or reject the league of nations unless you turn down the peace treaty, too. * * *

F. M. LUKINS. I want to say that I am not in sympathy with Mr. Butler's idea of putting this thing off or covering it up, so far as that is concerned. My policy usually is not to cover up things, but to do them out in the open if we have to; but the thing that I want to emphasize right now is that something ought to be done about this thing, and done now. * * *

A. J. MALONEY. I want to say that certain phrases in there sound like some of the labor conventions. * * *

President TAYLOR. The question has been called for. * * * The entire matter will be referred to the governmental relations committee and the proper action will be taken by that committee, and I judge from the remarks here that action will be taken promptly. * * *

"AMERICANISM!"

The Government relations committee of the National Coal Association is as follows: A. R. Hamilton, chairman; T. T. Brewster, W. J. Carney, Ira Clemens, T. B. Davis, W. K. Field, W. H. Huff, A. J. Maloney, Philip Penna, Robert M. Randall, S. H. Robbins, W. J. Sampson, J. H. Wheelwright, and to this committee the opposition to the league of nations was committed. The committee held its meeting in Pittsburgh on July 30, and there took action upon the subject. I have no verbatim report of what was said and done at this meeting of the committee, but I am reliably informed that it was then decided to oppose the league of nations, and particularly the labor provisions of the covenant, in every way possible. I am informed that the committee agreed to act upon the suggestion which had been made by Mr. Penbody at the Hotel Sutton meeting of the directors, to place its objection to the league of nations ostensibly upon the broad ground of "Americanism" and opposition to the "Internationalization of the United States."

Profiteers and patrioteers, exploiters of men, worshippers of mammon, drivers of industrial serfs! The czar of the steel industry arrogantly refuses to arbitrate differences with employees! An employers' group at the industrial conference stands like iron against granting one jot or tittle toward labor's just aspirations! Coal barons refuse to treat with their workers, and answer with Shylock's cynical legalism "It is so nominated in the bond," the appeal of those who toil under mountains to bring forth light and warmth for mankind!

How long, O Lord!

144917—20049

AN IMPOSSIBLE BILL.

A DRIVE ON LABOR.

SPEECHES

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

November 12, 1919.

The House in Committee of the Whole had under consideration the Esch railroad bill, H. R. 10453.

Mr. HUDDLESTON. Mr. Chairman, the account of this bill and of its passage through the House as it will probably be given will be a reminder of the renowned nursery rhyme which gives an account of the birth, life, and death of one "Solomon Grundy."

This bill was introduced on Saturday night after everybody had gone to bed. It became available to Members on Monday and was reported by the committee on the same day.

Taken up on Tuesday; debated on Wednesday; amended on Thursday, Friday, and Saturday; and probably finally passed on Monday.

"And that was the end of Solomon Grundy."

And the victim of this farcical haste is the long-suffering public—always despoiled, always neglected, always cheated and discriminated against.

FARCICAL HASTE.

I believe that in the history of Congress there has never been a measure of similar importance of which the membership of this House was given such a meager opportunity for consideration. If it were parliamentary and I felt that it would be good manners to do so, I would like to ask the Members of this House who are present now in the Chamber, how many have read this bill—have even so much as read it, not to speak of having studied it? Then, having brought out what I imagine would be not over half a dozen outside of the members of the committee which reported the bill, I would like to ask that half dozen if there be a man among them who has the boldness to say that he fairly understands all the terms and provisions of the bill?

Oh, of course the committee has held long hearings, but of what benefit are those hearings to other busy Members of the House, who have many other important matters to consider and to attend to? We have not read the hearings; no one has read them. The committee has given much consideration to provisions later incorporated into the bill, but of what benefit is that to those not on the committee, unless we are willing to accept the opinions of the committee without having any convictions of our own on the subject? There is a wide variance of opinion even among members of the committee. Many important provisions of the bill are favored by a bare majority of the committee only. I have my own responsibility in this matter. I must have some convictions of my own. I can not shift my burden to the shoulders of the committee. The fact is, gentlemen of the House, we are considering this bill without any adequate knowledge of its provisions being possessed by the body of the Members of the House.

AN IMPOSSIBLE BILL.

The bill to me is impossible even with the little I know about it. It is impossible for a number of reasons pointed out by various members of the committee themselves. I can not under any circumstances support it for a dozen reasons, and I have no doubt there are dozens of other reasons hidden in the bill in the form of jokers, obscure provisions, and equivocal phrases and things that can not be readily understood which would forbid me from voting for it on final passage.

To me the bill is impossible, because of the method of accounting which is provided for between the railroads and the Government. There is such a discrimination against the people of the United States and in favor of the owners of the railroads in that manner of accounting that I can not support it or even find it tolerable. I will not agree that the Government shall not be permitted to set off against a railroad the debt which it owes the Government against what the Government owes it, and that the Government must wait 10 years for what the railroad owes it, yet must pay in cash what it may owe the railroad.

BILLIONS OF WATERED STOCKS.

But more, the bill is intolerable to me as capitalizing and making good all the billions of dollars of water injected into the securities of the railroads of this country by dishonest speculators and promoters. It is proposed not merely by this bill to make this water good to the owners, but to tax the people of the United States—those who are now here and children yet unborn—to pay interest and remuneration to the roads on all the water injected into their stock.

The bill is impossible because it contains the unjust and intolerable guaranty of remunerative income and rates to the railroad.

It is intolerable because it lends the credit of the United States, your credit and mine, and that of our humble constituents far away in Alabama, in Illinois, in Montana, and throughout the country—it lends their credit to private enterprise. It enables private parties who are in the business of owning railroads for the money they can get out of it, to use the credit of all the people of the United States for their private gain. It grants a subsidy to the railroad owners in the most vicious form. I can not vote for the bill because of that.

ALL IN A FEW WORDS.

Why, just let me say it all in a few words. We took over the railroads because their owners were unable to run them. They could not meet the emergency; they did not have the money nor the credit; they did not have the brains and character to run the roads under the stress of the circumstances of the war. We took over the railroads because the men who owned the railroads wanted us to do it as a favor to them. They could not run them. They would have been in bankruptcy long ago had we not taken them over. We took them over and spent the money of the people of the United States in rehabilitating them.

Mr. MADDEN. Will the gentleman yield?

Mr. HUDDLESTON. I have but little time, and——

Mr. MADDEN. I would like to have the gentleman state a few facts in his remarks. [Laughter.]

Mr. HUDDLESTON. I could not hope to get any help from the gentleman from Illinois along that line. [Laughter.]

Mr. Chairman, *we took over the railroads, we have rehabilitated them, refurnished them, rebuilt them, and reequipped them out of the Treasury of the United States. We have paid their owners an extravagant compensation for their use. And now we are turning them back to the owners, and paying them to take them back, and lending them the credit of the United States to run them on.* That is the situation. That is rank and vicious class legislation, legislation in behalf of a very small minority—the people who own the railroads of the country.

RANK CLASS LEGISLATION.

When the railroad employees brought out the Plumb bill, the reactionaries of the country hooted, and their newspaper organs called it "Bolshevism," because they said it was class legislation. Now, I ask, How can you discriminate between legislation for the benefit of employees and legislation for the benefit of the owners of the roads. The only difference, as far as I can see, is that in one case you legislate for the benefit of a great multitude of men who toil and in the other you legislate for the benefit of a few soft-handed gentry who sit in swivel chairs clipping coupons in the back rooms of the banks. What is the difference in principle, assuming that the charge that the Plumb plan is class legislation? If the Plumb plan is Bolshevism, then what is this that you are doing here to-day?

As bad as the bill is, I congratulate the committee for having done even as well as it has. God knows they were up against influences such as never confronted a committee of Congress in this country before when they undertook to hold even-handed the scale of justice between the people of this country and the vast domineering interests that own the railroads of this country. Oh, they did well. Think what they were up against. In the first place, here were a lot of men fighting to capitalize some eight billions of water. Here were a lot of men playing for a stake of \$8,000,000,000, trying to validate fraudulent stock and guard it and make it safe for all time to come.

PLAYING FOR STAKE OF BILLIONS.

They have had their lobbyists in Washington for a year, the strongest and best financed lobby ever in Washington, for they were playing for the biggest stake. They have had the best brains that money could buy, the ablest lawyers that could be induced for a price to work against the public interest. They have collected astute representatives from every quarter of the country. They have used every art known to political and financial influence and of social prestige. The committee has been besieged from day to day by these representatives of selfish interests. They are not inexperienced men. They are men trained in the railroad school. The interests which have besieged the committee are the same interests which through all these weary years have corrupted the politics of the States and swayed courts, legislatures, and executives. They are old and seasoned in this work. They are apt in deception, in the framing of jokers in legislation, in the injection of phrases not easily understood.

The wonder, then, grows that the Committee on Interstate and Foreign Commerce have been able to bring out a bill which in any measure protects the public interest. Again I congratulate the committee, for evidently they have withstood many of the influences brought to bear. I respect the judgment of the

members of the committee. They are splendid gentlemen, but the fight was unequal. They were handicapped. It is too much for my credulity to believe that they have come as victors out of this conflict with these vast and invincible selfish interests.

"A Drive on Labor."

Mr. HUDDLESTON. Mr. Chairman, another reason why I find this bill impossible is found in the labor sections. These sections are confused, uncertain, and misleading. After considerable study I find them almost unintelligible. But gathering the best meaning I can out of them, I can not escape the conclusion that they are intended to give the railroad companies a chance to get at the funds of the labor organizations for any damages which may result on account of strikes.

I will not take up the time of the committee to discuss these provisions in detail. I object to them as a whole and to the details also. I object to the principle on which they are based, so there is no need to point out objections to details.

I can not understand why the committee presenting this bill should assume that it is necessary or proper to bring in a bill with labor sections, providing for a scheme of labor control, which did not exist before the Government took over the railroads. Why is it necessary now to hand back to the owners these railroads under different laws applicable to their employees from those under which the railroads were taken? What has happened since the Government assumed control of these roads that makes it necessary or proper that we should change the conditions of labor?

Some members of the committee seem to take credit because there is no clause in this bill providing for a jail sentence for a striking railroad employee. I want to say to the committee that the railroad employees find the provisions of this bill more offensive and more objectionable from their point of view than the antistrike provision of the Cummins bill. They would rather you would make a frank provision of law sending a man to jail for striking than to fix it so that the arm of the railroads may reach into the treasuries of the organizations of laboring men and strip them of the savings that they have been accumulating throughout the years. They realize full well that you can not imprison 2,000,000 railroad employees. They realize that you can not bring an indictment against a great multitude of people like that, for public sentiment would never tolerate it. But they know also that if it becomes merely a matter of financial considerations the railroads may be permitted to reach in and get their funds that they have laid up for a rainy day.

WHAT HAS HAPPENED?

What has happened during the past two years? We have fought a successful war, which we said was for the purpose of promoting the cause of democracy, for making the world safe for common men, ameliorating the condition of the poor, the humble, the weak, and the oppressed. We have brought that war of idealism to a successful conclusion, and I am not amazed that we find men coming out of it unwilling to go back to the same harsh labor conditions that we had before the war. I would expect them to want better conditions, not worse.

What has happened during the two years of Government control to now justify a change in public policy toward the men

who work for the railroads? They have been loyal. They supported the war with their blood and their earnings. They stood like a stone wall. They made their sacrifices upon the battle field and in their humble homes. They showed themselves patriotic and loyal Americans, both as soldiers in the field and as workmen in the shops. What have they done to excite suspicion or hostility? No just man can bring an accusation against them.

What, then, is the reason for discriminating against the railroad employees, for tying them hand and foot and turning them over to the railroads? Why should we now embark on a change of policy? Some may answer that it is because of the strike of the Boston policemen; but this is not a true answer. Policemen struck in Cincinnati, and yet no such coercive measures were then proposed. Policemen are public servants. Their situation is entirely different. Railroad employees when Government control is ended are employees of private interests. Besides that, the drastic antistrike provisions of this bill were proposed and urged long before the Boston strike.

Some may answer that it is on account of the steel strike. We have had steel strikes and great labor disturbances for many years in this country. Drastic laws against strikes did not follow, and besides, the drastic antistrike provisions reflected in this bill were proposed long before the steel strike was heard of.

A GENERAL DRIVE ON LABOR.

No; it is not because there have been recent strikes; it is not because of any misconduct of men who toil. No such excuse for the labor sections of this bill can be found. It is because a general drive is being made against labor all over this country. A nation-wide propaganda has been carried on by the employers ever since the armistice was signed, and even before that. The employers, nearly all of them, made fortunes out of the war. Millions of war profits are in their pockets, and with the added strength of these tainted millions they propose now to make a drive against labor, to crush labor, and to thwart its fair aspirations.

The workingmen of America fought the Great War upon the basis of idealism, with the hope in their hearts for better and higher lives to come out of victory. They hoped not to have to go back to the old struggle between employer and employee, the old struggle of strikes and contentions over wages and hours of labor. They hoped some new, more humane, and more enlightened way might be found for the settlement of labor complications. The leaven of this idealism touched the breast of nearly every worker. It inspired the deeds of valor of our soldiers on the fields of France. It has, indeed, caused new aspirations and kindled new hopes. These aspirations the hard-fisted employer would crush, these hopes he would destroy. The campaign is being made not merely against public employees like policemen, not merely against men connected with public utilities, like railroad employees, not merely against men working in the great basis industries like steel and coal. It is a campaign against common men, wage-earners everywhere and in all grades.

A STUPID TERROR.

The truth is that the employers and financial class and those affiliated with them, and their parasites and hangers-on, are frightened by conditions in Europe. They fear the workers. They dread the aspirations of the people toward nobler lives

and things more worth while. They talk in their corners of "Bolshevism" and "anarchy" and look at each other with blanched faces. They see spooks in broad daylight, and shiver with fear when danger is far away. In their stupid terror they answer aspiration by seeking to crush it. Their remedy for the boiler strained to bursting is another weight on the safety valve. They would crush labor with an iron hand early and before it has had time to ferment. Their epithets of "red," "anarchist," and "agitator" are flung like stones, not only at workmen who seek better wages but at any who may be bold enough to speak for them. It is the old story.

WORKINGMEN GOOD AMERICANS.

The exploiting classes, the employers and their kind, are unnecessarily alarmed. Laboring men are as good Americans as they are, love our institutions more than they do, and have a more intelligent understanding of what Americanism is. Disappointed though he may be to find that the employer holds to old notions and has failed to grasp the idealism of a new and better day, the worker will go back to his old task of fighting the battles of labor in the old orderly and lawful way. He will take up the struggle, if need be, where it was left off when he went to war. He will do this if the employer class will fight fair, if they will not resort to unjust means, if they do not drive him too hard, if they do not carry oppression too far. Let not the employer by his dominating influence, his prestige, wealth, and opportunity call the instrumentalities of government, the courts, executives, and legislatures to aid him in crushing the reasonable hopes of labor. Let him not be so foolish as to overreach himself and for the sake of mere temporary advantage impair the confidence of the great mass of the people in their judges and governors and other public officers. It is only when the people believe that their Government is fair and just and is equally the government of rich and poor that they can and will support it.

I am hoping that the employers will forbear in their campaign against labor. I am hoping for a new vision for them. Their interests, as well as the public welfare and the safety of our Nation, require concessions, justice, humanity, and reasonableness in their dealings with labor and moderation in their demands for governmental interference in their disputes with their employees.

November 14, 1919.

GOVERNMENT OWNERSHIP OF MEN.

Mr. HUDDLESTON. Mr. Chairman, I am amazed that the gentlemen who bring forward these drastic antistrike measures do not seem to grasp the logic of their proposals. They are bitter opponents of socialism. Yet the principle underlying their proposals is socialistic. They propose to "socialize" men. They are willing to exempt property, but they insist that men shall be publicly owned. They oppose Government ownership of railroads, but they favor in principle and to a degree practically and in effect Government ownership of railroad employees.

When the future historian shall come to write the annals of this period he will marvel much at the situation in which the American laboring man now finds himself. The laboring man is the same kind of man as the balance of us. He is our full brother. He has our good qualities as well as our bad. Some

laboring men, of course, are selfish, occasionally one of them is arrogant. They are mere men just as we are and have our faults as well as our virtues. They need no special treatment and no special handling. They should be treated just like other citizens, neither harsher nor more gently. Above all, they should be dealt with justly and with an honest regard for their proper interests and aspirations.

LABOR IS PATRIOTIC.

Laboring men as a whole are patriotic, honest, and diligent. The fact that they work with their hands is not regarded by them as a reason why they should not love their country and serve it. They have shown this upon the battle field as well as in civil life. All that they ask is decent and fair treatment, wages which will make life bearable, and the same rights and privileges accorded to others. I may say, in frankness, that I have found them more altruistic and with a more intelligent understanding of public questions than the average city business man.

In this situation and despite the lack of reason for it, the workingmen are amazed to find themselves now surrounded by a cloud of suspicion and distrust. Their lightest words are used against them, they are cartooned and misrepresented by the press, their leaders reviled as "agitators" and "reds," and any effort on their part by lawful means to increase their wages so as to meet the cost of decent living is blatantly characterized as "revolution."

UNJUST SUSPICION AND PREJUDICE.

The laboring men of this country believe themselves to be the object of a general drive. They feel that they are being persecuted because of their class and calling. Conscious of no fault upon their own part, they feel themselves the objects of contempt and hostility. They realize that they are without offense, and they can not understand why it is that now, when our country has just come out of a successful war of idealism, the disposition is shown to take away even those rights which they have heretofore enjoyed and to further restrict their opportunities.

The laboring men of this country feel that this drive against labor is not being made merely against the American Federation of Labor and the railroad brotherhoods—the great moderate labor organizations—but that it is a drive against labor as a whole, against men belonging to organizations and men who belong to no organization; that it is a drive against them because they are what they are. They have observed the efforts to discredit them made by the employers, and the nation-wide propaganda which has been carried on to put them in a bad light. They understand this and know its origin and mainspring, but now they see that through this artful and dishonest propaganda the fears of the general public have been played upon. The people at large have been deceived and frightened until they expect public disorder and strife from every labor dispute. All strikes or incidents of disorder are played up and magnified and made much of by the newspapers and in other ways until the public has been alarmed, and its natural sympathies, which belong of right to labor, have been alienated. The workers see this and deplore it.

Laboring men feel that the campaign against them, the atmosphere of hostility and suspicion which has been created around them, is due to the unfriendliness of Congress more than to any

other agency, to abusive speeches which have been made in Congress during the present session, and to the hostile spirit which has been behind certain measures which have been proposed here. Their confidence in the fairness of Congress has been shaken. They also point to the unlawful and unconstitutional use of Federal troops which has been made and is yet being made in connection with labor disputes. They point to the attitude of the Department of Justice during the coal strike, and to the unprecedented issuance of a far-reaching mandatory injunction by a Federal judge. They believe that the miners had no fair hearing; that there was no spirit to do justice; and that the action taken was arbitrary and unlawful.

A WARNING TO CONGRESS.

I warn you Members of Congress that the confidence of the workingmen of America in the fairness of their Government and the willingness of the legislative as well as the judicial and executive branches to give them justice has been sorely shaken. It is a mistake to do anything further toward undermining the confidence that the working people have in Congress. I believe that Congress is making a serious blunder with its labor measures, and that it is causing these men to feel that Congress is unfair and that Congress has selected out the common men, the humbler members of society, as the objects of discriminatory class legislation.

When we convey that impression to the laboring men it has marked and definite results, first, it undermines their confidence in the leaders of organized labor. I want to say right here that labor leaders are always as moderate and conservative as their members, the men whom they represent, will permit them to be. Unions are thoroughly democratic. The labor leader must satisfy and reflect the wishes of the men he represents or he will cease immediately to be a leader. When the workers feel that Congress is unfair to them they will consider that conservative and law-abiding labor leadership has been a failure. Naturally they will turn to more radical leadership. The labor organizations represent the most conservative elements of labor. The influence of these organizations will be lessened with their members. The tendency will be to drive their members into more radical organizations.

DO NOT DESTROY LABOR'S CONFIDENCE.

If the labor organization, with its moderate law-abiding methods, is considered a failure by its members they will naturally turn to the radical organization and to direct action. You men who fear the radical movement and the I. W. W. bear that in your minds. You fear the real "Reds" and yet by your illiberality you are driving our laboring men toward them. I say to you that when you undermine the confidence of the great laboring class of America in the justness and kindness of their Government you will have done more than all the wild-eyed agitators and revolutionists to bring about discontent and unrest upon the part of the men who toil with their hands. These men have real problems of life to solve. They have families to feed and clothe, children whose future they would like to make reasonably secure. These men who toil and sweat are patriotic and love real Americanism, self-government, freedom of speech and press, of religion, and of assemblage, with all their souls. I beg that you do not drive this great body of worthy men into despair by drastic and discriminatory legislation.

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INDUSTRIAL UNREST AND "LYING NEWSPAPERS"

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 9, 1919



WASHINGTON

1919

154125--20247



SPEECH
OF
HON. GEORGE HUDDLESTON.

Mr. HUDDLESTON. Mr. Speaker, I rise to say a few words on the subject of popular unrest in the United States. This is a subject that I believe it will be conceded I have some small qualifications to speak on. I am in close touch with the laboring classes throughout the entire country and have reason to believe that I have their confidence. I come from a great industrial district. I have recently spent my vacation in intimate intercourse with my constituents, with the people who work in my district, and I think I clearly understand their ideals and point of view.

THE UNREST IS INDUSTRIAL, NOT POLITICAL.

That there is unrest is obvious. This unrest is industrial and not political. It is of great importance that we preserve this distinction, otherwise we can not hope to understand and to remedy it. There is, of course, some political unrest also. We have always had it more or less. Perhaps it is now somewhat greater than heretofore, but it is as yet comparatively trifling and is no cause for serious alarm. Political unrest to the present is substantially nonexistent. Industrial unrest, however, is widely prevalent, serious, and demands prompt attention and immediate remedy.

The prevailing industrial unrest may be converted into political unrest if it is met with or sought to be suppressed by *political* measures. But, as I have said, at present undoubtedly it is almost purely industrial in every aspect. Not one workingman out of ten thousand is dissatisfied with fundamental Americanism or has any desire to change the principles of our Government or would have any thought of trying to overthrow the American Government by force. To the contrary, the men who work with their hands in the United States, the great masses of the people, are the strong bulwark of the principles set forth in the Declaration of Independence and the Constitution. They conceive that they are, and should be, the peculiar defenders of those principles, because they are the large and peculiar beneficiaries of them. They consider themselves as deriving special benefits from the American form of government. They hold, as does no other class, to the ideals of self-government, that "governments derive their just powers from the consent of the governed," and they prize beyond all material things the fundamentals of trial by jury, due process of law, free speech and free press, freedom of religion, of opinion, and of the right of assemblage.

Why, gentlemen, if a class should arise in our country and attempt to do violence to the things which you and I recognize and love as the principles for which our fathers fought and

which America achieved by her independence, there is not one workman out of ten thousand in America, young or old, but would gladly lay down his life in defense of his country.

Of course, there is political discontent as there has always been—there are no doubt a few misguided spirits who dream of violence and disorder, a radical few who would seek to inaugurate class rule. These are found almost wholly in the big cities and among those foreign-born who do not yet fully know our country. But at heart the workman and farmer are sound and true in their Americanism. The charge against their loyalty and devotion springs from ignorance or worse.

UNREST GROSSLY MAGNIFIED.

It is a great mistake to magnify the unrest in the country and represent it as being of a political nature; it is worse than foolish. I regret to have heard even in this Chamber echoes of the widespread propaganda which is being carried on to the effect that a large part of the working people are disloyal to our institutions. Every time there is a serious labor dispute I hear it said that "bolshivism has come to America." If a set of workmen try to get wages responsive to the increase in the cost of living, they are called "I. W. W.s." If they dare to talk the idealism that characterized our great Nation during the recent war, they are called "revolutionists." And so on and on, these epithets are cast at men who are innocent of disloyalty, not merely by the parasite newspapers, but even in this Chamber.

I deplore this propaganda magnifying unrest beyond words, because it tends to convert it from industrial unrest into political unrest. It tends to make real the political unrest which is now almost wholly imaginary. I repeat, the masses are loyal to America; they will preserve Americanism with their lives; their dissatisfaction is with the abuse and perversion of American opportunities, with excrescences on Americanism, with the greed, monopoly, and exploitation which aim to defeat real Americanism. These they would meet and destroy, not by violence but by lawful American methods.

The causes of the existing industrial unrest are obvious. Wages have not generally risen to correspond to the cost of living. The increase in the cost of living is somewhere about 80 per cent since 1914. Wages on the whole average have not increased above 40 per cent. I made some calculations and collected the facts a few months ago which I am satisfied are fairly correct, which showed that the increase in wages had been only 34½ per cent since July, 1914. The war being over, men who work for wages feel that their wages ought to go forward to meet the increase in the cost of living, and when they are met by a stone wall of opposition and the determination of the big employers to fight them to the death there is a resulting unrest, of course. They consider that as the war was fought to substitute justice for might and to make the world safe for the small and weak, some recognition of the brotherhood of man should be shown by their employers, and they are dissatisfied with the cynicism with which their employers meet their desire for some measure of democracy in industry.

PROFITEERING THE CHIEF CAUSE.

Again, the profiteers are abroad in this land. Laboring men made heavy sacrifices to carry on the war—they made their sacrifices in a spirit of patriotism excelled in no other class. They came out of the war with much less than many other classes. Labor did not profiteer; it is a slander on labor to say that it profiteered during the war. Labor has not profiteered; it has been and still is the chief victim of the profiteer. Generally the big employers made immense profits out of the war and filled their pockets full of money. Their employees, knowing this, accepted the situation with the best patience they could muster during the war when the welfare of the country required it, but now that the war is over and the employers' profits go on, they see no reason why a division of these profits should not be made with them. Labor is tired of being preyed upon by profiteers; labor feels like demanding wages in keeping with the cost of living; labor desires that the human element be considered and that it be no longer held as a mere commodity. Labor is dissatisfied, yes; but disloyal to America; no, a thousand times no!

Now, to return to my point. It is a great mistake to magnify the popular unrest. It is more than a mistake; it is a serious wrong against our country to affect to believe that the dissatisfaction which comes from economic causes is due to a lack of patriotism and Americanism. Such charges are calculated to produce the very disloyalty which we would avoid. Governmental measures based upon such a false assumption amount almost to criminal folly. By such action and such injustice governments may shake even the stoutest patriotism—they may strain the surest fidelity.

"SIDE SWIPING LABOR."

I can understand why it goes on in the newspapers—apart from their passion for sensationalism, for excitement, and hubbub, they are under the control of the big employers, and it is a way to side swipe labor to say "you are disloyal." Its purpose is to alienate from the wage earners the sympathies of the general public so that the workers may become easier prey to those who wish to exploit them. I understand why the newspaper propaganda is carried on, but I can not understand why it should be echoed here, and I hope that the aspersions which have been cast on men who work will cease.

I want to speak a word of warning. *The way to convert industrial unrest into political unrest is to attempt to suppress it by political measures.* If you undertake to suppress the lawful and reasonable aspirations of men who work by the strong hand of the law, it will be dangerous, I fear. Let us not engage in dangerous experiments in dealing with the reasonable discontent of our citizens.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes more to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, if our Government, by its legislative, judicial, or executive branches, shall do anything to cause men who work to feel that they can not expect a fair deal from their Government, we will be doing a dangerous thing. The workingman must have faith that can not be shaken,

that he can look to his representatives and to executives and courts for justice and for a square deal in his disputes with his employer. A few actions such as have been recently taken in inept dealing with labor disputes can do more to produce political discontent, dissatisfaction, and disloyalty than all of the pratings of agitators or disloyalists.

"LYING NEWSPAPERS."

I place most of the blame for existing unrest upon the newspapers. They seem to be largely giving themselves to magnifying and fomenting it. Always subservient to wealth and position, recent months have shown them in new depths of servility to the upper classes. They delight in scareheads and sensational articles upon evidences of unrest. The more reactionary the newspaper is the more vicious is its attempts to shake public confidence. Of course, it is a deliberate propaganda. Every labor disturbance is represented as the work of "aliens" or "I. W. W.'s." Tales of disorder are collected from remote points, greatly exaggerated and charged to "reds." A riot, large or small, gets a scarehead as "attempted revolution." Radical literature is exploited and quoted from as evidence of "widespread anarchistic conspiracies."

Exaggeration and mystery are the keynotes of their policy. Unfortunately these dastard methods of molding public opinion have met with marked success. Though political discontent is comparatively nonexistent the average unthinking citizen has been filled with the fear that America is on the brink of class war, anarchy, and revolution. The purpose of these newspapers is, of course, to gain for the big employers a temporary advantage over labor. In their stupidity they do not realize that such temporary present gain may have to be paid for with a heavy price in future. In their shortsightedness they see only the present hour. *I wish that they might have eyes to see that the way to meet false agitation is with the truth, and to meet well-founded agitation is with fair compromise and concession. The way to meet industrial unrest is with justice and a square deal for the wage earner. There can be no permanent solution through other means.*

THE BIRMINGHAM DAILIES.

The parasite newspapers "side swipe" the dissatisfied workman by calling him an "alien" and his chosen labor officials "agitators" and "reds." They show no mercy either to the worker or his friends. If from patriotic or humanitarian motives a public or private citizen shows interest in the masses, concerns himself with their problems, or gives them his confidence and support, no epithet is too vile for these newspapers to fling at him. They stop at nothing to discredit or destroy him. I read numerous newspapers. Bad as they are, they are all we have for current information. In my low opinion of them generally I hope I am not influenced by the viciousness and stupidity of the dailies of my home city, though the latter are below the average. As an illustration of their methods I refer to an instance which occurred during the recent brief vacation of Congress.

On November 30 I made a short speech in Birmingham at a meeting of workmen held out of respect to me as their

Representative. In reporting the speech the Age-Herald quoted me as having said, among other things:

The fundamental principle of Americanism is for every man to have the same political right as the other man and the right of the whole people to have a voice in the Government.

I am not in sympathy with the campaign that is being waged against the so-called aliens. These aliens are good enough to be brought over to this country, and they are good enough to remain here.

The fight against them is just a blow at the workingman, for the alien, like the rest of us, is asking for the same rights and the added increase in wages, and is just as much one of us as the man who was born in this country. Then, why deport him?

"DELIBERATE FALSIFICATION" AND "LYING COMMENT."

The report was misleading and gave neither the words, purport, nor spirit of what I said, but it furnished the text of a vicious editorial attack on me in the News of December 1. Editor Glass, of the News, wrote the editorial himself. He was not present at the meeting. He did not verify the Age-Herald report, but did the unprecedented thing in journalism of accepting it as absolutely true and making it the basis of his attack. The Age-Herald report was misleading, but Glass, with characteristic venom and malice, deliberately falsified the report by lying comment upon it. After quoting that part of the Age-Herald report, Glass said:

This view argues the speaker's entire sympathy with all the anarchistic aliens of the I. W. W. type, who have done so much in the past two years to injure the country of their adoption and to undermine the sanity, patriotism, and efficiency of true American laboring men. He would not see deported the men on the Pacific coast who from ambush have shot down former overseas patriots still wearing the uniform, because they were standing up for law and order, nor is he willing to see the Emma Goldmans and the thousands of other anarchists who have propagated the doctrines bearing that sort of fruit kicked out of the land whose freedom they have abused and whose liberty they have degenerated into license.

There were numerous false statements made in the editorial, but what I have read suffices to show its diabolical malice. What I really said was by way of comment on the steel strike. I said that Gary and his mouthpieces answered the strikers by calling them "aliens" and demanding their deportation if they would not return to work; that the Steel Trust had brought these men over from Europe to get the benefit of their labor, to take the jobs of American workingmen, and to breakdown the standard of American wages and living, and now that they had become accustomed to America and its ideals and sought to raise themselves to American standards and to better their condition by going on a strike the cry was raised "they are aliens, deport them." I said that if these men were good enough to be brought over to take the jobs of American workingmen they were good enough to strike for decent wages and a decent living and as strikers were entitled to the same treatment that other strikers received.

In my speech I did not refer to anarchists, disloyalists, or criminals in any way, and certainly did not attempt to defend them. I expressed no opposition to the deportation of criminals or others subject thereto under our immigration laws. Neither at that time nor at any time have I defended crime, violence, or disorder by word or implication. Any criticism of me upon such grounds is malicious, venomous, and false.

But there is no falsehood to which the editor of the News would not stoop to do me an injury. I have had previous experiences with the News and the Age-Herald. They sought diligently to destroy me during the 1918 campaign. The recent instance is but a repetition of their dastardly attacks. During that campaign the News published similar editorials to its recent attack on me. The Age-Herald published vicious and stupid cartoons of me almost daily and, in self-defense, I was compelled to bring a libel suit against it. This suit was recently tried before a jury and a judgment of \$30,000 damages awarded me. I called the trial of my suit "a school of decency and manners." There seemed no other way to teach the Age-Herald these qualities. I am hoping that it may be benefited by its tuition fee.

THE REMEDY FOR UNREST.

It is time for the newspapers and those who control their policies to leave off dollar grabbing and playing for petty temporary advantage and look forward to the security of our country. They decry class prejudice in others, yet in their own small class of a favored few stand together like one man. They hound all classes but their own. They are doing more by their methods to provoke class consciousness and class solidarity than all other influences. They are rapidly driving the masses to a realization of the necessity of class action for their own protection. Of course I deplore class strife, but how can I discourage class consciousness among the masses when that seems to be the only way by which they can defend themselves against a small, domineering, class-conscious group which holds as its supreme precept "one for all and all for one" in its dealings with the masses. I would bid big business men and their editors and parasites to look upward, to hold a little to humanitarianism, to know "that none serves himself so well as he who serves his fellow man, and none serves his country so well as he who labors for reasonable equality among all its citizens in right, privilege, and opportunity."

Unrest provoked by injustice is righteous. Men do good work as free men, not as slaves. The remedy for unfounded discontent is not the gag, but reason and fair argument, and for righteous discontent not the iron hand of the law but justice and a square deal.

Loyalty can not be compelled. We may always trust the citizen to love and defend the government which deserves to be loved and defended.

IN DEFENSE OF FREEDOM OF SPEECH

WHO ARE THE REAL RADICALS?

SPEECH

BY

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

SATURDAY, JANUARY 17, 1920



WASHINGTON
GOVERNMENT PRINTING OFFICE

1920

159679—20332

SPEECH
OF
HON. GEORGE HUDDLESTON.

IN DEFENSE OF FREEDOM OF SPEECH.

Mr. HUDDLESTON. Mr. Chairman, for months a nationwide propaganda for the passage of drastic laws aimed at the freedom of speech has been carried on. This propaganda originated with big financial interests centering in New York City. It has been supported by ample funds. Cloaked as "Americanization" it has met with success. The reactionary press took up the cry and it has been echoed by many illiberal bodies of business men. Its fruits are now about to be gathered. Congress is about to respond. The House Committee on the Judiciary has reported a bill, and it is quite obvious that within a few days we will be called to vote upon this measure.

The measure pending before the House by report from the committee and other similar bills are brought forward upon the plea that they are necessary to prevent violent attempts to overthrow our Government. Their pretended purpose is to prevent insurrection and the forcible resistance of our laws. The excuse for them is that existing laws are inadequate to prevent insurrection and the use of force. I challenge this excuse. Upon this pretense I take issue. I assert that we already have adequate laws for such purpose, and that a careful study of the measures proposed discloses that their real intent is to strike at the freedom of speech. This is their real animus.

EXISTING LAWS ARE ADEQUATE.

We already have adequate laws. Sections 5334 and 5336 of the Revised Statutes are as follows:

Sec. 5334. Every person who incites, sets on foot, assists, or engages in any rebellion or insurrection against the authority of the United States or the laws thereof, or gives aid or comfort thereto, shall be punished by imprisonment not more than 10 years, or by a fine of

not more than \$10,000, or by both of such punishments; and shall, moreover, be incapable of holding any office under the United States.

SEC. 5336. If two or more persons in any State or Territory conspire to overthrow, put down, or to destroy by force the Government of the United States, or to levy war against them, or to oppose by force the authority thereof, or by force to prevent, hinder, or delay the execution of any law of the United States, or by force to seize, take, or possess any property of the United States contrary to the authority thereof, each of them shall be punished by a fine of not less than \$500 and not more than \$5,000, or by imprisonment, with or without hard labor, for a period not less than six months nor more than six years, or by both such fine and imprisonment.

These statutes were passed during the Civil War, when actual insurrection was going on and the country filled with spies and sedition. Then, if ever, drastic laws against insurrection and sedition were justifiable. The only addition of much substance made to existing laws by sections 1 and 2 of the proposed law is to increase the possible punishment to the death penalty. Think of it! In a time of peace it is now proposed to increase the penalty for violating this old war statute so that political offenders may be hanged along with rapists and assassins. This when we have just won a great war for democracy!

Section 3 of the proposed bill makes it a crime to propose or encourage forcible resistance to any law. Section 4 makes it a crime to display any writing or print suggesting a forcible change of law. Section 5 makes it a crime to display any flag as a symbol of any of the acts made crimes by the bill. Sections 6, 7, and 8 make it a crime to mail or to import any writing or symbol referred to in sections 4 and 5. Sections 9, 10, and 11 make unlawful any "gathering" which seeks, by injury to property, to bring about a change in the law, and make it a crime to become "affiliated" therewith with knowledge of its purpose or to contribute anything to it. The remaining sections of the bill I do not dwell on. They are in keeping with the drastic sections referred to.

The bill provides exceedingly severe punishment for offenders. The penalty for insurrection may be death, and for the other crimes created by the bill may be 20 years imprisonment and \$20,000 fine. I make no attempt to do more than to point out some of the extreme features of this bill. It is unnecessary to take time to discuss its details. What I have said indicates its

general character and shows its obvious purpose and its tremendous possibilities for oppression and tyranny.

The punishments provided by the bill are excessive, but it is not to its severity that I chiefly object, nor, indeed, is it to the actual letter of its provisions. It is rather to the use which is intended to be made and which will be made of the measure to terrorize the people, to intimidate free opinion, and to invade sacred American rights which have made of our country a great Republic; it is to the excuse which such a measure will give for a hateful system of spying and eavesdropping. The right to advocate change, to criticize public officials and measures, to denounce error and wrong when found in our laws and their administration belongs by tradition to every American. Without this right he will not consider himself a free man. His liberty he will consider a myth, and hence his love for country will be undermined.

THEY WOULD DENY FREEDOM OF SPEECH.

The proposed bill is of more than doubtful constitutionality. It is my deliberate opinion that in certain aspects it violates both the letter and spirit of the Constitution. The bill shows on its face that even its authors had doubts of its constitutionality. It shows their disposition to go to the extreme verge of constitutionality in abridging the freedom of speech, and that they are willing to take chances on its unconstitutionality in order to accomplish their purpose. It is clear that the intent is to take away freedom of speech in so far as the Constitution can be construed to allow, and to reduce it to the lowest possible point. I can not escape the conviction that those responsible for this bill have tried to evade the constitutional guaranty of freedom of speech and would destroy it if they were able to do so.

Those who initiated the movement which bears its fruit in this bill object in their hearts to the freedom of speech guaranteed by the Constitution; they can not take it away, so they would whittle at it and minimize it and bully those who would exercise their rights. They would fight ideas with laws; thought they would make a crime. By these means do they hope to con-

tinue to enjoy the power and privilege gained by their abuse and perversion of American opportunities.

No citizen has the right to advocate force, and it is the privilege of all governments to defend themselves against such. If this was the only scope of this measure, any patriotic Member might support it. But the measure proposed does not stop there; it goes beyond, far into the zone where criticism may be properly made and agitation rightfully carried on. Besides the inevitable result of the passage of a law against advocating force will be the intimidation and abuse of honest men acting within their constitutional rights.

As a law aimed at forcible change, it must be remembered that this is a subject which may be dealt with by the States under their police powers. Indeed, it was held by the Virginia resolutions written by Madison and the Kentucky resolutions, of which Jefferson himself was author, that all such matters were left by the Federal Constitution within the police powers of the States exclusively. Those resolutions denounced the sedition act of 1798 as an unconstitutional invasion of the police powers reserved to the States.

EXAGGERATION AND HYSTERIA.

Drastic laws aimed at free speech are wholly unnecessary at this time. America has flourished for more than a century without them. There have been times of great public excitement; wars have been fought; far-reaching changes have been worked in our institutions—all without such laws. As an excuse for drastic measures a great deal of loose talk of "reds," "I. W. W.s," and "revolutionists" has been indulged. In all this there is the grossest exaggeration.

It is amazing to observe the champions of the reactionary hysteria, which is part of the aftermath of the war, charging furiously at paper dragons, calling them "Bolsheviks" and "radicals." They beat their tom-toms and shout. From their noise one would think there was a real conflict. For their personal or class advantage they work upon the people's fears. But all is mere stage play. There is no danger of revolution in America. Not 1 man out of 10,000 has the desire to do violence to our Gov-

ernment, not to speak of being willing to engage in the attempt. There are perhaps a few misguided theorists and fanatics who have disordered dreams. There are perhaps some untaught foreign born who belong to clubs and societies having high-sounding and extreme platforms, neither understood nor seriously advocated by their members. America is in no danger from such as these. No drastic laws are needed for their suppression. This is not Russia, but a land of free and intelligent people.

Of course, there is no impropriety in laws against insurrection or real sedition, but does any sensible man believe that there is danger of such at this time? From what quarter does insurrection threaten? Who advocates civil war? The answer is none. The reactionaries are merely hysterical; that is all. They read of Russia, and the red terror dances before their inflamed imagination.

The serious objection to any and all the measures which are aimed at free speech is the motive behind them and the purpose to be accomplished; the intimidation, the bullying, the bludgeoning of free opinion, the restraint on criticism and agitation for proper change and development. The profiteer who would escape unscathed, the war contractor who would stand secure in his mask of patriotism, speculators, big financiers, imperialists, and those who would gain money and place out of the agony of the world—they would strike at their critics and those who impeach their methods and their system.

I do not fear for the great newspapers. They will not be suppressed. They are powerful and can care for themselves. Most of them are but the organs of the great reactionary interests, and no law will be passed to reach them. It is for the poor and humble that I fear, for the ignorant, those who have cause for discontent, for they will be bullied and humiliated in their efforts for the redress of their wrongs.

A LAW AIMED AT AMERICANS.

Let us not forget that the proposed law is aimed wholly at Americans. It is not aimed at aliens. The House passed the alien deportation act several weeks ago. Alien anarchists and other alien disturbers have been shipped out of the country,

and that act will afford an easy method by which we may be rid of undesirable aliens. The pending measure is to deal with American citizens who are loose of tongue and free with criticism. It is to hang and jail Americans, not to get rid of aliens.

The mockery of it is that those who demand this legislation bring it forward as a part of a program of so-called "Americanization." They are seeking to "Americanize" Americans, to teach American principles to men who descend from the hardy pioneers who created America out of the virgin wilderness of the New World, achieved our independence, and founded the Republic. These self-elected saviors of America, in their desire to "stabilize society" as they express it, presume to interpret Americanism to those who drank in with their mother's milk America's traditions and an understanding of our institutions.

But the odious effort of the presumptuous agents of the big property, profiteering, and reactionary interests to suppress free speech does not mark the full measure of their impudence. They are advocating other equally hateful proposals. They are behind the movement which seeks to rivet a system of compulsory military service on America. They are furnishing its finances and concocting the plans of that movement. They see before them long vistas of usefulness in doing our thinking and planning. Congress is to be but their puppet and to promptly register their will. They arrogate to themselves the privilege of saying whom the people shall select for public office. Representatives of the people who do not bow to the will of these gentlemen are marked for political assassination.

The gentlemen who have planned for themselves this campaign for the control of our public affairs are experienced in business, learned in books, and have ample funds to carry on their work. They no doubt consider themselves superior to the plain citizen and worthy to do his thinking. But I warn them that they are riding for a fall. They may succeed temporarily, but they have underestimated the intelligence of the people. They will be found out and there will be a revolt against them and their works which will not only undo all they have done but carry us far in the opposite direction. Strong and great

they may be in society and the marts of trade, but they are pitifully weak and small in their knowledge of the masses and of the great heart of America.

FREE SPEECH AND FREE PRESS.

As I have said, freedom of speech is fundamental American doctrine. It is protected by the Constitution; indeed in a sense it exists independent of the Constitution.

Our Constitution has no bill of rights designated as such. It was assumed by those who drafted it that the principles secured by the English Bill of Rights were unaffected by the Constitution except where reduced by its expressed terms. Several of the States were not satisfied and insisted as a condition of ratification that those fundamental principles should be enumerated and expressly guaranteed. In pursuance of this demand immediately after its ratification the first 10 amendments to the Constitution were adopted as a bill of rights. The very first of these amendments protects freedom of religion, of speech, and of the right of assemblage. It provides:

ARTICLE 1. Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof, or abridging the freedom of speech or of the press, or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

The same sentence which safeguards freedom of speech also guarantees freedom of religion and freedom of assemblage. Clearly no one of the three is higher than the other. If freedom of speech may be whittled away and its guaranty evaded, then also may freedom of religion be lessened. If men may be told what they may say, they may also be commanded whether they may worship God. If a rule for the control of men's speech may be established, then may not a state religion be provided for? If men may be forbidden the discussion of political measures, they may be restrained from worshipping according to the dictates of conscience.

Freedom of religion, of speech, and of assemblage are by their very nature inextricably commingled. The one can not exist without the other. The teacher of religion must be permitted to speak after his own fashion and the people to assemble to listen. A blow at one of these fundamental rights is

an equal danger to the others. If men may be jailed for expression of political opinion, may they not also be imprisoned for expressing religious belief? If there is room under our Constitution to reduce and explain away the right of free speech and to rob it of its real meaning, then no longer may the people repose their perfect trust in freedom of religion, trial by jury, and due process of law; these, too, will be taken when the dominant voices of privilege and reaction make their demands.

The remaining amendments constituting the bill of rights protect the right to bear arms, forbid unreasonable searches and seizures, secure due process of law, trial by jury, and so forth. The principles set forth by these amendments are the very essence of Americanism. With the principles enunciated by the Declaration, they constitute our guaranty of democracy and mark and set us apart as a free people. Any attempt to evade these principles or to thwart their purpose is undemocratic and un-American.

THE SEDITION LAW OF 1798.

Once before in the history of our country Congress passed a law aimed at the freedom of speech. The sedition law of 1798 was conceived for that purpose. The law was passed; it was grossly abused, and numbers of worthy citizens were imprisoned under it. An outraged Nation thrust the party and the individuals responsible for it from power. Its speedy repeal followed, and not from that date until 1917 was any attempt made to suppress freedom of speech in the United States.

The sedition law of 1798 was proposed in a time similar to the present. The Federalists, under the leadership of Adams, Hamilton, and Goodhue, were in control; and, drunk with the power of office, they sought to gag their opponents and critics. France was writhing in the Terror, and the revolutionists were charged with every crime from piracy on the high seas to inciting an insurrection of the negro slaves. The Federalists made patriotism the cloak for their repressive measure. They would save America from France and the Terror even as now our would-be guardians would save us from Russia and the bolsheviks.

But, though cloaked in patriotism, the real purpose of the sedition law of 1798 was not patriotic but partisan. It was to suppress their adversaries and to still opposition and criticism. By the same sign the real purpose of a sedition law at this time is not patriotic but partisan. It is aimed at partisan criticism and partisan opposition, at Socialists, radicals, liberals, and whatnots, all equally bad in the eyes of the reactionary, to whom these terms are mere epithets which he casts at any and all who may hold different views or may criticize his methods.

It is needless for me to say that I do not approve, so far as I understand it, the essential principle of socialism, nor for that matter of the spirit of radicalism; but that is no reason why I would have socialists and radicals gagged. The socialist has as much right to be a socialist as I to be a Democrat. He has the same right to advocate his principles as I to promote mine. This is a democracy, a government by majority, which, by the methods provided therefor, has the right to change our laws and the Constitution itself. The majority has the right, as provided by that instrument, to rewrite the Constitution and to change to any extent the form of our Government. I would be un-American to attempt to deprive them of the power which the Constitution gives to the majority; and the fact that socialists and extremists may advocate radical or unwise changes is no reason why they should be gagged.

The Federalists were swept into oblivion by the passage of the sedition law. Led by Jefferson and Madison, who had opposed its passage with a courage and ability, worthy of the great age, the Democratic Party came into power. The attitude of the Federalists toward popular government was faithfully expressed by Adams, their leader, in his letter of August 13, 1798, to Harrison County citizens:

I believe, however, that the distinction of aristocrat and democrat, however odious and pernicious it may be rendered by political artifice at particular conjunctures, will never be done away with as long as some men are taller and others shorter, some wiser and others sillier, some more virtuous and others more vicious, some richer and others poorer. The distinction is grounded on unalterable nature, and human wisdom can do no more than reconcile the parties by equitable establishments and equal laws, securing, as far as possible, to every one his own. The distinction was intended by nature for the order of society and the benefit of mankind.

That party, with its un-American principles, was swept out of existence, and to this day no political faction has dared to admit adherence to such principles, and none has dared to enact laws to suppress political discussion among the people. We have had numbers of wars, including the great Civil War, but no such drastic laws as that proposed by the pending bill were passed. Americans continued down to 1917 without any attempt to prevent free utterance of opinion.

The espionage act of 1917, passed in time of war, was the first since the repeal of the law of 1798 which punished men for the expression of their opinions. That was a war measure, and had reasons to justify it, but even with those reasons I could not give it my approval. If I could not vote for the espionage act passed in time of war, still less am I able to approve the suppression of opinion in a time of peace such as the present.

HEIRS OF THE FEDERALISTS.

From the time when the Federalists were stricken into extinction because of the odious sedition law of 1798 down to the present no political faction has dared to advocate the suppression of the voice of the people. Nevertheless, the Federalists have had their political descendants. There have always been those who by ruse, corruption, or evasion would defeat the will of the people and thwart popular government. They exist even in this day. They neglect no opportunity to promote reaction; through control of the press they mislead public opinion; they are the inveterate foes of labor and the masses; they seek to create in America systems of caste and privilege of which their own class would be the sole beneficiaries; they believe, with Adams, that property and position are entitled to rule. To make of the people their docile instruments they flood the country with propaganda; they mislead and deceive; they are seeking to fasten upon us a system of compulsory military service, through which they expect to teach the people obedience and humility; they war on free speech that they may be more secure. How foolish they are—how stupid—to answer discontent with heavier burdens, to stop complaints with gags. Why will they not learn from the fate of Germany and Russia?

DESCENDANTS OF JEFFERSON.

The charge of extreme partisanship, I believe, will not be made against me. As a Member of Congress I have regarded the public welfare above party advantage. But I can not do else than rejoice in the traditions of the Democratic Party. I remember that it was Jefferson who opposed the sedition law of 1798. I remember that Madison inveighed and the Democratic Members of Congress voted unanimously against it. I remember the Virginia and Kentucky resolutions denouncing it.

As Hamilton and the Federalists have their political heirs, so have Jefferson and Madison their spiritual descendants. My party has always stood for fundamental Americanism as set forth in the Declaration and in the Bill of Rights. It has always been the champion of the liberties of the people and of popular government. I would have my party in this moment of reactionary hysteria to stand for the old order and by its ancient tradition as the party of the people.

I am amazed by the folly of those who advocate extreme and repressive legislation at this time. It is a folly that reaches almost to the point of wickedness in the evil that it may bring upon our country. Are these men seeking to stir up civil strife? Do they invite public disorder? Would they drive law-abiding citizens into resistance? How far do they think they can go? There is a limit, and they may find it sooner than they believe.

I wish that the advocates of reaction might have vision, that they might be able to lift up their eyes and catch a better light. Loyalty can not be forced by law, but is brought forth by love and gratitude. Men will love our Government if it be just, if it reflect their wishes, if it be equally the Government of the mighty and the weak, if it be responsive to the demands of progress and the development of our civilization. Let the reactionaries expend their energy in perfecting our Government and its institutions so as to hold the affection of citizens rather than in Prussian force and repression.

MISCONCEIVE AMERICAN PRINCIPLES.

The error of those who seek to repress the citizen comes out of their misconception of the American political system. Our Government is not a thing apart from the people; it is the people

themselves. Officials are not the people's masters, but their servants. Our Government is merely the instrumentality through which the people of America perform their will. They are the Government, their voice is its expression. It is merely the organization through which the people as equal shareholders transact their public business. Officers of Government have no dignities, privileges, nor functions except such as the people may confer.

They who advocate repression speak of loyalty to our Government as they would of the loyalty of an Old World subject to his monarch. They conceive of rulers as having powers and privileges in their own right and apart from the will of the people. They do not comprehend that in America the citizen is a sovereign, and there is none higher nor more royal than he. American loyalty is merely loyalty to our institutions and to the whole people.

Violence is not to be considered as a remedy for governmental evils, for these the citizen may cure by his vote. But the vote is nothing if uninformed. There must be discussion, agitation if need be. There must be freedom of opinion and unquestioned freedom of expression.

PERSECUTION, SPYING, AND TALEBEARING.

All the traditions of our country are against suppression of the freedom of speech. The mere proposal of measures to that end shakes the confidence, their passage will alienate the affection of the citizen. It is not so much that convictions will be had for probably there will be none, but there will be persecution, espionage, spying, and talebearing. There will be intimidation and threats. Men will wonder what our time has come upon that new crimes are created and new laws enacted for their punishment. It will not only strike at the confidence of the humble classes at which these laws are aimed, but will weaken the faith of even the rich and powerful, who will conclude that they walk constantly upon the thin crust of threatening revolution.

But there is no need that I should point out the value of free opinion expressed in free speech. That has been better done than I could hope to do it. Great Americans from the beginning

have expounded it and advocated its principles. I quote Judge Cooley's Constitutional Limitations:

If any such principle of repression should ever be recognized in America it might reasonably be anticipated that in times of high party excitement it would lead to prosecutions by the party in power, to bolster up wrongs and sustain abuses and oppressions by crushing adverse criticism and discussion. The evil, indeed, could not be of long continuance; for, judging from experience, the reaction would be speedy, thorough, and effectual; but it would be no less a serious evil while it lasted, the direct tendency of which would be to excite discontent and to breed a rebellious spirit. Repression of full and free discussion is dangerous in any government resting upon the will of the people. The people can not fail to believe that they are deprived of rights and will be certain to become discontented when their discussion of public measures is sought to be circumscribed by the judgment of others upon their temperance or fairness. They must be left at liberty to speak with the freedom which the magnitude of the supposed wrongs appears in their minds to demand, and if they exceed all the proper bounds of moderation the consolation must be that the evil likely to spring from the violent discussion will probably be less and its correction by public sentiment more speedy than if the terrors of the law were brought to bear to prevent the discussion.

Judge Hughes, recently Republican candidate for President, commenting upon the exclusion of certain Socialists from the New York Assembly, writing a few days ago, said:

If the Socialists are denied recourse through their duly elected representatives to the orderly process of government, what resort is there left to them? Is it proposed to drive the Socialists to revolution by denying them participation in the means we have provided them for orderly discussion of proposed changes in our laws?

* * * * *

I speak as one utterly opposed to socialism and in entire sympathy with every effort to put down violence and crime. But it is because I am solicitous to maintain the peaceful processes essential to democracy that I am anxious to see Socialists, as well as Republicans and Democrats, enjoy their political rights.

Nothing, in my judgment, is a more serious mistake at this critical period than to deprive Socialists or radicals of their opportunities for peaceful discussion, and thus to convince them that the Reds are right and that violence and revolution are the only available means at their command.

Of course, men have the right to rebel against tyranny; our forefathers did that. It is because men may redress their grievances at the ballot box that forcible resistance to law is wrong. But what is the vote worth if discussion be forbidden? If voters be forbidden to talk among themselves or to hear discussion of public questions, they can not vote intelligently, they can not remedy the evils of government, and the franchise is useless. If the voter must take his opinions from corrupt news-

papers, speaking only for the privileged class behind them, and if public speakers must shape their statements so as to meet the approval of a Department of Justice controlled by the party in power, of what value is the vote and of what account the result of the election?

The only way to meet false ideas is by better ideas. Thought can not be suppressed, although its public expression may be. If men may not speak freely, there results a feeling of oppression which aggravates the evil of which they would complain. If a thought may not be spoken it assumes greater importance. If a statement must be whispered for fear of the law its strength is multiplied a thousandfold. Revolutionary ideas receive more ready audience and adherence if they are forbidden by law. Acts may be answered by acts, but words can be answered only by words.

To forbid their expression is an admission of the justice of revolutionary arguments. America is in sorry plight if we can not justify our Government and its laws by sufficient reasons. Poor in defenders, indeed, is our country if none can refute the criticism of those who would overthrow it. Bolshevism, with its advocacy of class rule is undemocratic and wrong. Its arguments may be met and answered. Let its advocates come into the open daylight, that their contentions may be exposed. There is no need to fear them before an intelligent people.

"WHO ARE THE RADICALS?"

This bill is proposed as a part of an ambitious program of "Americanization." Those back of it are dissatisfied with America and wish to remold it "nearer to the heart's desire," not to restore the old landmarks of freedom and equality of opportunity but to pass into new realms of "social stability," "ordered society," and entrenched caste and privilege. Those who oppose them in their meddling they meet not with reason but with epithets. Having no other answer, they call names as they would throw stones. Their favorite epithet for those who question their wisdom is "bolshevik" and they cast "radical" at opponents whose importance or position makes the coarser epithet inadmissible.

Who are the real "radicals" of America, and who are the real Americans? Certain fundamentals are recognized by all honest men as American. They are found in the Declaration of Independence and the Bill of Rights—the first 10 amendments to the Constitution. The principles there set forth are eternal in their Americanism. Without them "Americanism" is a mere empty word. Those principles are in a sense higher than the Constitution, for it was written merely to provide an instrument for their protection—an organization to carry them into effect. Without those principles the Constitution is an empty form.

It follows that the real American is he who defends the principles of the Declaration and the Bill of Rights. It is he who defends democracy, that governments "derive their just powers from the consent of the governed," freedom of religion, of speech, and of assemblage, trial by jury, due process of law, and so forth. The real American would enlarge and protect these principles, would apply them wherever possible, would extend their operation throughout the world and into every activity of mankind. He who follows the footsteps of Franklin and Jefferson and the founders of this Republic, he is the real American.

And it follows also that they who seek to reduce, evade, or corrupt those principles are un-American. They who would break away from the old traditions and push on with their program of "stabilizing society" and reducing the liberties of the people, they are the radicals." A radical is an extremist. He breaks away from old principles; he would experiment with sacred things. Those who would impair the police powers of the States, who would centralize authority in the Federal Government, create vast standing armies, drag helpless boys from their homes for compulsory military service in time of peace, meddle with religion, banish men without jury trials, and abridge the freedom of speech—they are the radicals who should be held up to execration.

“Misshapen, Bent, Born Out of Time”

The Conference Report on the Esch- Cummins Railroad Legislation

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FEBRUARY 20, 1920



WASHINGTON

1920

165658—20477



SPEECH
OF
HON. GEORGE HUDDLESTON.

CONFERENCE REPORT ON ESCH-CUMMINS RAILROAD LEGISLATION.

Mr. HUDDLESTON. Mr. Chairman, I address myself to the railroad legislation which now pends before the House by the report of the conferees on the Esch and Cummins bills and which are to be acted on to-morrow.

So many misstatements have been made as to the increases of wages given employees of railroads under Federal control that it is in order to say that the increase for all railroad employees averages less than 50 per cent. The largest increases have been given to the poorest-paid employees. Firemen receive only 40 per cent increase; engineers, 27 per cent; and conductors, 18 per cent; and, as I have said, the average increase for all employees of every kind and character—transportation, shop, and otherwise—is under 50 per cent. In the meantime the increase in the cost of living to these men is not less than 80 per cent. The fact yet remains that men who work for railroads have received a smaller increase in wages since 1914 than any other class of labor outside of Federal employees. So much for that matter.

"MISSHAPEN, BENT, BORN OUT OF TIME."

The conferees have made their report. The mountain has labored and brought forth, not a squeaking, harmless, and ridiculous mouse, but a hideous monster. The Cummins and Esch bills, ugly and forbidding as both were, have been married, and the result of this unholy union is the conference report—a Frankenstein, which is in the way of devouring the American people. "A creature swart, misshapen, bent, born out of time," is the conference report on the railroad legislation.

I do not make partisan speeches on this floor, and what I say now is not for partisan advantage. But I can not keep from feeling a deep satisfaction that my side—the Democratic side—is not responsible for this legislation. Whatever stigma is due for this legislation belongs to the Republicans and to the Republican Party, which is in control of both branches of Congress. Congress has done a good deal of meanness in the last two or three years. Some little of that maybe I participated in. The Democrats have been bad. The only thing that saves them is the fact that the Republicans have been worse, for it is under their instigation and under their leadership and by compromises with them that we have done the mean things that we have committed. It has been because we abandoned our own precedents and traditions and went over to those of the other side.

A REPUBLICAN MEASURE.

But in this railroad legislation we are not guilty. The Esch bill passed the House by a majority of only 45. A change of 23 votes would have defeated it. On the vote upon the Esch bill the yeas were 205, of which there were—Republicans 175, Democrats 30. The nays were 160—Republicans 22, Democrats 136.

I refer to this, gentlemen of the Republican side of the aisle, not for party advantage, because I love more than the interests of my party the welfare of my country, and I do not want to see my party get an advantage which comes at the expense of the public welfare. [Applause.] But I refer you to this to warn you of the responsibility that you are taking, a responsibility which you do not divide with us, a responsibility which is yours exclusively. I warn you that this is a Republican measure and that the damnation that will follow its passage into law will be visited upon you.

I do not claim to be a political prophet, but let me venture in my modest way to say this: In my judgment if this measure becomes a law in the form in which it is reported by the conferees, or substantially in that form, it will defeat any man or any party that supports it if the people find out the wrong that has been done them. Nothing can save him but ignorance on the part of his constituents.

THE PEOPLE WILL PUNISH.

The only thing that can save the advocates of this measure is that they may not "be found out." The people are forgiving, and perhaps after a few years they may forgive the wrong. But if the consequences and nature of this bill are realized before next November, then you might well to-day repeat the language of the gladiator and look up at the galleries and the powerful financial interests there who have dictated this legislation and say, "Caesar, men about to die salute you."

I do not gloat over your situation. I do not gloat, I merely give you warning. I beg of you, my friends, I beg you to examine this bill, to study and see its iniquities, and to serve first your country and then yourselves by defeating it.

When the people of this country realize that you have passed a measure which necessitates an increase in railroad rates of from 25 to 40 per cent above present rates; when they realize that the Government guarantees and underwrites the profits of the railroad owners and that you have put your people at home behind it—your people in New York and in Ohio—your constituents and their faith and credit behind this guaranty—when they realize that you have gone into the Treasury of the United States and taken therefrom \$300,000,000 plus of the people's money and turned it over to the railroads for their rehabilitation and to restore their credit; when the people realize that you have taken another \$200,000,000 of the people's funds for the purpose of winding up the Railroad Administration, so that we may extend credit to the roads for what they owe us for 10 years, and pay them cash all that we owe the railroads; when they realize that, my friends, and many other iniquities which, if I had the time, I could point out in this bill, they will wreak vengeance upon you.

When the 2,000,000 railroad employees find out what you are trying to do to them upon the demand of reactionary railroad financiers, woe unto you.

LEGISLATION DEMANDED BY SELFISH INTERESTS.

I do not say this for any purpose other than to urge you not to allow anybody to force you into supporting this measure under the pretense that it is necessary for the occasion. I call your attention, my friends, to the fact that the people of this country are not asking for this legislation, and that they have no need for it for their interest or protection. Neither are the railroad employees asking for it.

The people, so far as they are informed as to its details, are against the legislation, and do not want it. They have been deceived by a false propaganda into believing that Government control has been a failure. They only want to get rid of the railroads. They say, "Turn the railroads back." That is all the people say—"Turn them back in the same condition as when we took them over."

The railroad employees do not want it. Who is it that wants the legislation? The only interests that want this legislation—the selfish interests that are demanding it—are the railroad owners, their associates and bankers, their parasites, and those who are back of them and who stand with them because of class interests and prejudices.

Bear this in mind: The people do not need any additional law. The railroad-control act authorizes the return of the roads to their owners. All the President has got to do is to hand them back, and that will end it. But this legislation is for the railroad stockholders' protection; it is to put them on their feet, so that they can take their own property back—that is why it is being demanded, and that is why you are being asked to pass this measure. We are being asked to finance the roads for their owners' benefit and to guarantee their profits; that is the sole purpose of this legislation.

We took the railroads over; we took them under a law which authorized us to turn them back at the will of the President. The President has exercised that will. According to the law as it now stands, these railroads go back on the 1st day of March, and no legislation for the protection of the people and none for the protection of the railroad employees is required for that purpose. But the railroads think they need protection, they demand help. They are the ones that are demanding that you shall take action to protect them.

NO NEED FOR HASTY LEGISLATION.

Now, perhaps Members will get up here and insist that we must have some sort of a bill, and that here this is, and we must put it through, because it is only a few days until March, and the President will return the roads. That is the frame of mind some people are in—a half-hearted, evasive frame of mind that apologizes for what it is going to do. But this excuse for jamming the bill through is a bad one. We can reject the conference report and send the bill back to conference for such changes to be made in it as will make it a decent and fair bill for the people of the country as well as the railroads. We can easily send this bill back to conference and

require it to be changed and amended in such manner as to be an acceptable and honest bill, fair alike to all interests. Any argument that we are bound to swallow the report of the conferees before us in order to pass any law upon the subject at all is based on a false premise.

Another thing. Assuming that the President is without power to recall his order turning the railroads back on March 1, Congress can in a few minutes pass a resolution directing that the railroads be held by the President for a few days longer, so as to give all the time we might need for further and careful consideration of the subject. Out then upon the argument that we must act now and upon the measure before us only.

I have explained this to you gentlemen, not pretending to instruct you, for that would be presumption on my part, but merely to remind you that we need no legislation in order to get rid of the railroads, and that if we wish to legislate there is ample time and means to do so without being hurried with it.

Now, we may go further. If we turn down the conference report, reject it in toto and send it back to conference, they will have opportunity to discuss, to negotiate, and to reach terms which are acceptable to the people and in the best interests of this country. They have several days yet in which to do it.

The responsibility for the situation is not on the Democrats. This condition was not produced by this side. Last May the President gave notice that on the first of the year he would turn back the railroads. For eight months those in control of Congress dillydallied, delayed, and chaffered. When the time came to turn the roads back nothing had been done. Then the President gave another stay of execution and gave two months more. Now for two months more the mountain has been laboring.

"THE WITCHES' CALDRON."

This pot has been boiling. We had but one day's notice that the Esch bill was coming up in the House, and nobody had time to read it before it was brought up for discussion. We considered it for two or three days, and then it was rammed through. The Senate took their action. Then a few days elapsed and the bill went to conference. Weeks of conference, weeks of secret consultations ensued.

For weeks the conferees considered this bill in secret conference. Nobody knows what went on. Back somewhere in a room, locked up, they took all the time desired for conference, but we are to have none for discussion and consideration in the House. Now they come back here at the last moment. The pot has been boiling and boiling, and from the result which the conferees have produced I think it must have been some kind of witches' caldron—

"Eye of newt and toe of frog,
Wool of bat and tongue of dog"—

God knows what else they must have put into the pot to have brought out such a mess as they have spread before Congress and the country.

We took the railroads over for their own benefit. They had broken down. They were inadequate. We took them over to keep them out of bankruptcy. We have paid them more than

they ought to have had. We have paid them an extravagant return. I opposed it at the time it was agreed to. We have rehabilitated them and reequipped them and spent the people's money on them, and now behold, having done all this, it is proposed by this measure not merely to turn the railroads back but to pay their owners for taking them back. That is what I say the people of this country will resent. That is what I say they will punish, and they ought to punish it.

GOVERNMENT GUARANTEES PROFITS.

I have some figures here. It is proposed to guarantee to these railroads not less than $5\frac{1}{2}$ per cent net earnings, and in addition to that we are to permit them to charge additional rates to the extent of 1 per cent on their valuation for a revolving fund and for one purpose and another. Any way you look at it, it is money that is taken out of the people's pockets.

For the present, there being no other way of ascertaining the value of the railroads, their book value as carried by them must necessarily be accepted as the basis upon which this percentage is to be paid. That means that not only will the actual investment in the railroads be realized upon at $5\frac{1}{2}$ per cent net, but the people will be taxed upon all the water that has been injected into them, upon all the fraud and stealing that has gone on. They will have to pay the railroad owners their $5\frac{1}{2}$, 6, or $6\frac{1}{2}$ per cent on that as well as on the true value.

The approximate value of the railroads as carried on their books is \$19,000,000,000, upon which a $6\frac{1}{2}$ per cent return will be about \$1,300,000,000. Now, the "standard return" which we have paid during Government control has yielded to the railroads about 5 per cent on their value, water and all. We have been paying them 5 per cent return upon their water already, and it is proposed to increase that return to somewhere from \$200,000,000 to \$500,000,000 more by this measure.

Some people believe the Government has lost money in running the railroads. The real truth about it is that there has been little or no actual loss, and that Federal control has been a success if we consider it fairly in all its aspects. But we have spent more money than we have got back, and that is the chief reason why the people of this country have been encouraged to turn the railroads back. But when you turn them back under the terms of this bill the people will not only have to make good the loss we have already sustained but in addition will lose somewhere from \$300,000,000 to \$500,000,000 a year under the Government's guaranty or through increased rates.

DIVIDENDS OF 12 PER CENT.

We have been paying many of these railroads very handsome dividends. Take for illustration the Union Pacific. Its owners have received under Federal control 12.8 per cent upon their investment. The Atchison, Topeka & Santa Fe has had 10 per cent and numbers of others have had 6 and 7 per cent.

But, mark you this, gentlemen, some of these roads have received under the standard returns no net income because they had not made any net income before Government control. We have not paid them anything in net profits. By the new arrangement provided by the conferees' report the guaranty to these

roads that have not earned anything for years is $5\frac{1}{2}$ per cent return upon their capitalization, water and all. When you begin to figure out that, you observe that there will be a vast increase in the return to many of these bankrupt roads that at present are liabilities and not assets. They earn nothing and are worth nothing, but the Government must pay them the $5\frac{1}{2}$ per cent net.

FULL OF JOKERS AND INIQUITIES.

I can not undertake to point out the many iniquities in this measure other than in the very hasty and general way in which I have attempted to do it. There is not time sufficient for me to do it. I have read the bill, and I have studied it, and I realize that it is full of jokers and contains many clauses that a common man can not understand. A great many of its clauses are of the authorship of men who have been brought here for that purpose. I do not mean Members of Congress or of the committee, but cunning railroad lawyers and lobbyists. Many of these jokers have been put over on the committee. They will be interpreted to mean things that were never dreamed of when the committee adopted them.

165658—20477

AMERICA WANTS PEACE

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

APRIL 8, 1920



WASHINGTON
GOVERNMENT PRINTING OFFICE

1920

173918—20688

SPEECH
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HON. GEORGE HUDDLESTON.

AMERICA WANTS PEACE.

Mr. HUDDLESTON. Mr. Speaker, the country wants peace. That desire has been thwarted for 17 long months by obstinacy, selfishness, and partisan considerations. At present the country is in some doubt as to who is to blame. The great mass of the people feel that both sides are to blame. They blame the President for his attitude in insisting upon the acceptance of the covenant of the League of Nations exactly as he submitted it and for refusing to accept reasonable reservations. They think he has tried to dictate to the Senate, "Sign on the dotted line."

And the people have no patience with the way in which the treaty has been kicked and cuffed around by the opposition. They believe the treaty would long ago have been ratified in some form or other acceptable to them had opposition not been inspired by selfishness, hatred, and other unworthy motives. At present the blame is placed by the people upon both parties and upon both sides.

In order to end that situation and to avoid it, our Republican brethren, with great astuteness, have brought forward this resolution in the House, where quick action may be had. Their plan is that they will vote for it and thereby gain the reputation with the people of the country that they are for peace and want to do all they can to bring it about—and that we shall vote against it and thereby take upon ourselves the odium for the delay and place this side of the House in the attitude of saying "No; we will not agree to peace, except on condition that the League of Nations be accepted without reservations just as our President desires." Shall we Democrats, as men of good sense, permit the Republicans to mix this draught, load it with poison, and set it in front of us, then will we drink it down to the last drop and say "Thank you"? "Vain is the snare set in sight of the bird." [Applause.]

The people will visit upon the public man or the party that takes that obstinate position against their proper desire for peace a punishment which I shall not accept for myself, because I do not intend to deserve it. [Applause.]

PRESIDENT AND SENATE IN HOPELESS DEADLOCK.

What is the situation as to the treaty? In his letter to Senator HITCHCOCK of March 8 of this year, the President of the United States said with reference to article 10 of the League of Nations:

If article 10 is not adopted and acted upon, the governments which reject it will, I think, be guilty of bad faith to their people whom they induced to make the infinite sacrifices of the war by the pledge that they would be fighting to redeem the world from the old order of force and aggression. They will be acting also in bad faith to the opinion of the

world at large to which they appealed for support in a concerted stand against the aggressions and pretensions of Germany. If we were to reject article 10 or so to weaken it as to take its full force out of it, it would mark us as desiring to return to the Old World of jealous rivalry and misunderstandings from which our gallant soldiers have rescued us, and would leave us without any vision or new conception of justice and peace. We would have learned no lesson from the war but gained only the regret that it had involved us in its maelstrom of suffering.

And, again, he said:

Either we should enter the league fearlessly, accepting the responsibility and not fearing the rôle of leadership which we now enjoy, contributing our efforts toward establishing a just and permanent peace, or we should retire as gracefully as possible from the great concert of powers by which the world was saved.

And, further, in his letter he said:

I need not say, Senator, that I have given a great deal of thought to the whole matter of reservations proposed in connection with the ratification of the treaty, and particularly that portion of the treaty which contains the covenant of the League of Nations, and I have been struck by the fact that practically every so-called reservation was in effect a rather sweeping nullification of the terms of the treaty itself. I hear of reservationists and mild reservationists, but I can not understand the difference between a nullifier and a mild nullifier. Our responsibility as a Nation in this turning point of history is an overwhelming one, and if I had the opportunity I would beg everyone concerned to consider the matter in the light of what it is possible to accomplish for humanity rather than in the light of special national interests.

What does that mean, gentlemen? It means that the President is resolved upon the League of Nations, in substance and in effect, exactly as he submitted it to the Senate, and that he will not accept any reservation whatever in a matter of substance. That is what it means. Nobody can read that letter and fail to understand the President's position.

What further is the fact? The Senate for the second time has rejected the League of Nations. The Senate adopted reservations. They had been discussing it for months and months. The discussion has gone on until the people of the country are tired and disgusted, and can not endure it any longer.

The Senate has shown to any man who understands the situation that the League of Nations will not be accepted without substantial reservations. It seems to me all ought to realize that. The issue is projected into the next campaign. It will become further, to a lower degree, the football of partisan politics. It is kicked and cuffed around. Another twelvemonth will go by. Is there any man of good sense who believes that two-thirds of the Senate will be found 12 months from to-day who will vote to accept this League of Nations without any substantial reservation? I do not believe there is a man before me who will give his assent to such a conclusion.

THE TREATY IS DEAD.

The people of this country want peace, and they need peace. For over a year we have been discussing this question. The treaty of Versailles is dead. So far as the United States is concerned it might as well not have been written. [Applause.] The President is in irreconcilable deadlock with the Senate. Twice has the Senate rejected the treaty. Twice has it been demonstrated that the Senate will not ratify the treaty without material amendments to section 10 and other sections of the covenant of the League of Nations. The President indicated in his recent letter to Senator HITCHCOCK that he would not consent to any substantial change in these sections. There is no hope that either Senate or President will yield. They are

immovably deadlocked. It can not be hoped that two-thirds of the Senators will vote to approve the treaty in any form acceptable to the President. We can go neither backward nor forward. The treaty is dead. Let us recognize that fact and deal with it accordingly.

ACTUAL WAR ENDED MONTHS AGO.

America wants peace. Actual warfare came to an end 17 months ago. For weary months an agonized world waited on the deliberations at Versailles. Finally the treaty was agreed upon, and now for an anxious yearlong distressed America has looked on while peace was made the football of politics, selfishness, and obstinacy. A weary year of waiting with nothing accomplished. We stand to-day where we stood when the treaty was agreed upon.

America wants peace. Our enemy is beaten and humiliated. Germany's ships have been sunk or surrendered; her armies have been disbanded; her military power has crumbled into dust; from the mightiest she is become the weakest of nations. Even now Germany is torn by revolution and civil disorder. Actual warfare with Germany has been over for months; she has abjectly surrendered; she has accepted the hard terms imposed upon her; she sues for peace; she grants our every demand. Civil disorder in Germany threatens to spread and engulf the world. In good faith we owe it to her, even an enemy, as well as to the interests of our own country, to recognize formally the ending of the war which has been accomplished in actuality.

It were better, I agree, that the technical ending of the war should be by formal treaty. But if the authorities which have to do with formal treaties remain in hopeless conflict we can not afford to haggle over technicalities, but should proceed in a practical way in the exercise of reason and good sense to extricate ourselves from the situation. If peace can not be had by treaty, then let us have peace by other proper means—peace, if need be, by congressional action. It seems foolish to strain over procedure and to refuse to move because we can not have it just in our own way when we are in substantial agreement as to the end.

AMERICA WANTS PEACE.

America wants peace. Unrest and discontent are universal. The rich are dissatisfied with their taxes. Labor cries out against profiteering and exploitation. Suspicion and distrust are everywhere. The faith of the people in their officials is shaken. Officers of the Government are suspicious of the loyalty and fidelity of our citizens. The masses point to the vast accumulations of profiteers and war contractors and in turn are denounced as "reds" and "radicals." Distressing economic conditions are aggravated by uncertainty as to the future and by the consciousness that peace has not yet come. Business halts and is uncertain which way to go. Stimulated by inflation of money there is a spurious activity, but enterprise and development hesitate and fear to advance. They do not know what a day may bring.

HARSH LAWS HARSHLY ENFORCED.

Actually the war has been over for more than a year, yet the people continue to groan under harsh and restrictive war laws. The conscription act remains unrepealed, while militarists seek to make it a part of our permanent system. The espionage act

is yet in force. Under it numerous prosecutions have occurred since the armistice. Good citizens are yet afraid to express their honest opinions. [Applause.] The explosives act, the trading-with-the-enemy act, the food-control act, and other oppressive war laws are yet in effect. Workingmen dare not insist upon adequate wages and fair conditions because of laws passed to help to win the war. The people are heartily weary of the harsh war laws and the conditions arising from the war status. They are tired and cry for relief.

Without regard to the merits of the League of Nations and the treaty, those who press for ratification must be made to understand public sentiment. The people will not tolerate that the war laws be held at their heads like a loaded pistol to force them into accepting the treaty. They claim the right to consider the treaty and the league upon their merits. They resent the attempt to intimidate them and to demand their acceptance of the treaty as the price of relief. Public men and parties which seek thus to impose upon the people will find themselves the mark of hearty disapproval.

Actually we are not at war, but technically there is no peace. Patrioteers and profiteers, reactionaries, militarists, war contractors, and their kind, yet draped in the flag, pose as models of civic virtue. The present is their opportunity. They praise themselves and decry all the rest, and improve the time to press the measures and systems which they favor.

PEACE THE CRYING NEED OF THE WORLD.

The good of America demands an immediate return to peace conditions. We must get to lower prices and to the lower cost of living of normal times. We need to order our lives on a peace basis and to devote our energies to increased production and to stoppage of waste by a return to prewar methods and conditions. We need to repair the home life, to restore spiritual things, to bind up the wounds of mankind, and to turn anew to feelings of amity, kindness, and world brotherhood. Peace is the crying need of America, as it is of all the world.

The proposed resolution carefully safeguards all American rights. Section 3 requires Germany to waive and renounce—

* * * on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles.

Section 5 of the resolution provides:

That nothing herein contained shall be construed as a waiver by the United States of any rights, privileges, indemnities, reparations, or advantages to which the United States has become entitled under the terms of the armistice signed November 11, 1918, or which were acquired by or are in the possession of the United States by reason of its participation in the war, or otherwise; and all fines, forfeitures, penalties, and seizures imposed or made by the United States are hereby ratified, confirmed, and maintained.

In view of these provisions there is no danger of any loss on account of the operations of the Alien Property Custodian or under the trading-with-the-enemy act.

ONLY TWO ALTERNATIVES.

The imperative need of our country is for peace without further delay. The President and the Senate are in hopeless deadlock. It is clear that they can not agree upon the treaty. There are only two alternatives to an indefinite continuation of the present uncertainty and controversy. The President may nego-

tiate a new treaty with Germany for submission to the Senate. This course it appears the President will not take. He appears resolved upon the existing treaty. This situation will plunge the matter into the coming political campaign, with resulting bitter strife and controversy, and the distraction of public attention from pressing domestic questions, with the certainty that in the end the necessary two-thirds will not be found in the Senate, so that in all probability a year hence will find the treaty exactly where it is to-day.

The other alternative is the adoption of the pending measure—peace by resolution—termination of the war by congressional action. This alternative is forced upon us unless we agree that peace may yet be deferred for another year or more. I can not hesitate to make the choice. [Applause.]

NOT A MATTER FOR PARTISANSHIP.

It is with regret that I find myself at odds with the majority of Democratic Members. They argue that the pending resolution is a Republican measure and pressed on us for partisan purposes. I despise a partisanship which would baffle with our country's welfare, but I must not allow any meanness of purpose which inspires the measure to swerve me from what I conceive to be my duty. I refuse to accept this as an issue for partisanship. If it be true that the measure is inspired by the desire for petty party advantage, yet I must support it without regard to its partisan effect. I must act for the public welfare no matter if that course should take me into bad company. [Applause.]

Again, my friends on the Democratic side charge that the resolution is aimed at the President and is intended to embarrass him. They urge that I should accept the President's leadership and decision, and leave the matter in his hands. I respect the office and personality of the President. But I am not thinking of the President; I am thinking of the welfare of my country. [Applause.] I want to smooth away the friction that is growing among our citizens. I want to still discontent and dissatisfaction and the possibility of domestic strife and civil disorder. I want to do whatever I may to restore my country and to promote the peace and welfare of the world. The issue is not the President's issue. It is America's issue. It must be decided without regard to the personal or political fortunes of any man.

CONGRESS HAS POWER TO END THE WAR.

It is asserted that the measure is unconstitutional, but this contention gives me small concern. Congress has the power to declare war—it is absurd to contend that it may not end the war which Congress has put on foot. The Constitution gives the President the right to appoint ambassadors and, "with the consent of the Senate, to make treaties." He has no express authority to end war, nor has he any exclusive jurisdiction of foreign affairs. Treaties made following a war usually provide for the terms of peace, but this function is not a necessary incident to a treaty. Actual warfare might go on despite a treaty, and also might warfare cease as an actuality though no treaty be made. The Constitution makes it the exclusive duty of Congress to declare war, to provide our armed forces, and to create and control the militia. It lays the exclusive duty on Congress "to provide for the common defense and general welfare." If the power to end war is not granted exclusively to the President, undoubtedly Congress may exercise it.

The President is given no express power to make peace. Such authority as he has in making peace is implied from his constitutional warrant to negotiate treaties. He has no power to make peace except as an incident to a treaty. If a case should occur in which no treaty could be made, the President could exercise no function in connection with ending a war. For instance, if there were no responsible government in Germany with which a treaty might be agreed on, the President could do no act to make peace. If the United States should fight a war of conquest and as a result should annex the enemy country, there would be no government for the President to make a treaty with. In such a case there could be no treaty, and unless Congress has power to terminate a state of war we would remain perpetually in a war status. Thus is reduced to an absurdity the argument that Congress can not end the war status. Congress can not "make peace," for that involves negotiations with a foreign government and the agreeing upon a treaty, which is the President's exclusive function; but there is no doubt in my mind that Congress may terminate a war status, leaving the President to negotiate the terms of peace. [Applause.]

THE SOURCE OF ALL AUTHORITY.

I hold that under the American system such powers as are not expressly or by implication conferred upon the executive and judicial branches of Government are reposed in Congress, the legislative branch, composed as it is of the representatives of the people of the United States, who at last are the source of all authority. To hold that Congress can not end a war which it has declared to exist is to say that Congress has no authority to repeal one of its own laws—the act declaring war. It involves the shocking theory that, no matter how complete our victory nor how unanimous the minds of the people, we can not end a state of war except by the exercise of the will of the Executive. [Applause.]

Only the President can "make peace," for making peace involves an agreement with an enemy government—a treaty, the agreeing on which is an exclusive presidential function. The error of those who argue that Congress can not terminate a war seems to be due to the wrongful assumption that "to end war" is "to make peace." The two phrases are not at all synonymous.

It has been argued with a show of reason that by the proposed resolution Congress purposes to "negotiate" with Germany, to make a proposal for German acceptance, to "agree" with Germany. This is a fundamental error, as an analysis of the resolution shows. The resolution does three distinct things. Sections 1 and 5 terminate the status of war and provide that the resolution shall not be a waiver by the United States of any of its rights. Section 2 provides that the war laws shall no longer be in effect. Sections 3 and 4 cover the third subject of the resolution and provide for the resumption of trade with Germany upon conditions named. It is only to these conditions that Germany is required to assent. As to no other matter connected with the resolution is German agreement required. It is upon these sections that those who argue that the resolution is an effort to make an agreement with Germany rely. These sections may be stricken from the resolution and yet leave it a perfect whole. If they are unconstitutional, that fact can not affect

the validity of the other sections of the resolution. But sections 3 and 4 are not unconstitutional.

In almost the same language has Congress passed previous laws. Section 3 of the McKinley Tariff Act of October 1, 1890, was almost identical in substance. That law was held constitutional by the Supreme Court of the United States in the case of Field against Clark, one hundred and forty-third United States, page 649. The court held that the placing of conditions upon trade with a foreign country which involved affirmative action by that country was not an interference with the treaty-making powers of the President and did not constitute negotiation.

Gentlemen upon my side of the Chamber argue that Democrats should oppose the pending resolution, for that it will be vetoed by the President and its passage by Congress avail nothing. The President has a responsibility belonging to his office which he will no doubt exercise with his wonted admirable discretion. But Representatives also have a responsibility. It is not for Congress to dictate what the President shall do, nor for the President to direct what Representatives should do. [Applause.] I am bound to believe that he has no desire to do so. It is upon us to deal with this measure upon its merits and with the conscientious purpose to promote the public good. This I shall do, and will be quite content with whatever action the President may take.

AMERICA IS FREE TO ACT INDEPENDENTLY.

I can not agree with those who argue that we are bound in honor to join in a treaty with the nations associated with us in the war. They entered the war without our leave. We entered it upon our own initiative. We cooperated with them to defeat the common enemy. We went into the war unpledged to our associated nations. We have come out of the war without owing them anything; to the contrary, they are our debtors. [Applause.] The honor of America is not pledged to unite in a common treaty with our associated nations. It is pledged neither expressly nor by implication. The people have not pledged American honor, neither has it been pledged by Congress nor by anyone authorized by the people to speak for them. We entered the war for reasons of our own; we spent our blood and treasure without stint; we have asked neither land nor money, favors nor indemnity; we fought in defense of the civilization of the world. Continued cooperation with the nations associated with us in the war is neither obligated nor compelled. We will hereafter, as I hope, act freely, as heretofore, for the welfare and dignity of America and for the peace and hope of mankind. [Applause.]

The nations associated with us in the war have made peace with Germany. America alone of all the nations retains her war status. We do not abandon our associated nations by terminating the state of war. We do but join them in their status of peace. We do not abandon them to a common enemy. They are at peace and no longer require our support or protection. It is absurd to say that American honor is pledged to stand alone among the nations in a state of war with Germany. If in any sense American honor is under pledge, it is to promote peace, harmony, and good will at home and among the nations of the world. [Applause.]

LABOR'S JUST GRIEVANCES

"The Law of Compensation Is Immutable—Men Give in Proportion to What They Receive—Labor Returns in Service in Fair Proportion to the Justice Which is Meted Out to It—Deal with Labor Unjustly and You Have Either a Total Failure or a Decrease in Production—Force upon Labor Unjust Wages and Unfair Conditions and You Will Have Your Strikes, Either Off the Job or on the Job."

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

APRIL 23, 1920



WASHINGTON
GOVERNMENT PRINTING OFFICE

1920

176895—20782

SPEECH
OF
HON. GEORGE HUDDLESTON.

LABOR'S JUST GRIEVANCES.

Mr. HUDDLESTON. Mr. Chairman, I read these headlines from a Birmingham dally:

Labor is branded as time waster and extravagant.

These are the headlines over a statement made by one of the great employers of my district.

I have read many such headlines in the past few months, and many such interviews, coming from similar sources, and I am tempted to ask the great employers of America and the critics who repeat their charges against the men who toil, not merely against members of labor organizations but all men who toil in any capacity: What has been done for labor that it should be thrifty, prudent, and industrious? What has been done for the benefit of men who toil with their hands that they should keep production at the high-water mark?

THE LAW OF COMPENSATION.

And I would say to the great employers and to their echoes who repeat these charges, "The law of compensation is immutable. Men give in proportion to what they receive. Labor returns in service in fair proportion to the justice which is meted out to it. Deal with labor unjustly and you have either a total failure or a decrease in production. Force upon labor unjust wages and unfair conditions and you will have your strikes, either off the job or on the job." The world should understand that by now.

The fundamental fault of many of those who undertake to deal with labor is that they assume that men who work with their hands are a different sort of men from those who follow other occupations. In their ignorance they start out with the assumption that because a man does manual work he is a different kind of man and has different emotions and mainsprings of action from men who work solely with their minds.

Of course, it is a commonplace to say that the men who work with their hands are our full brothers. They are exactly the same kind of men we are. They love justice just as much as we do. They have their faults just as we have. We must deal with them accordingly.

DEMOCRACY AND JUSTICE IN INDUSTRY.

What has been done for labor that it should hold to the maximum of production? Labor made its sacrifices during the war. It was carried on by a high tide of idealism. It was told, "We are fighting to make the world safe for democracy. We are going to bring democracy home to ourselves and take it into

our workshops and make justice a living part of industry." That was what they heard during the war.

But at once when the armistice was signed labor was dismayed to find marshaling and organizing against it from one end of the country to the other the great employer classes in a way which indicated their firm resolve to go back to the old conditions—to the old fight between the man who toils and the man he works for; to go back to the old system of strikes and labor troubles and grinding and exploitation. Labor was dismayed, disheartened, and disgusted.

DEPARTMENT OF LABOR EMASCULATED.

The Department of Labor has been practically emasculated by this Congress; its employment service, intended to get men jobs, has been disbanded; every criticism that could be uttered has been cast at the Department of Labor and at every officer connected with it upon false charges of unfair partiality to the men who work and to their organizations. Was this encouraging? Did it tend to promote contentment or to increase production?

When Mr. Gary stood at the Industrial Conference, he held the industrial conditions of America in the hollow of his hand; he decided against the rule of harmony and fair consideration in labor disputes; decided in favor of the old and not a new and enlightened system, for the old state of economic warfare between the men who work and the men who employ. Because of him the Industrial Conference failed. Did that encourage labor? Did that tend to cause the toilers to work harder and spill their sweat more freely?

LABOR DID NOT PROFITEER.

I commend to the great employer interests of this country the text that "Whatsoever ye sow, that shall ye also reap." I ask them, in all kindness, and with an eye single to the public welfare, what have they sown that they should reap production from the men who toil?

As soon as the war was over a false and raucous cry went up from the employer interests that labor had profiteered during the war; that it had been unpatriotic. There was not a word of truth in it. Labor had made great sacrifices.

I made an investigation at the time, and I know whereof I speak. The facts are that labor had received from 1914 until the armistice was signed an average increase in wages for all callings of only 34½ per cent. But during that same period the cost of living had increased above 80 per cent. The workingman was receiving \$1.34 for the same amount of work that he got \$1 for before the war, but he was paying \$1.82 for a dollar's worth of the necessities of life to support his family.

Yet no publicity was given to the true facts through the great channels of publicity. The facts were suppressed, and the false charge that labor had profiteered and had been unpatriotic was echoed all over the country. It was done in the interest of the great employers for the vicious purpose of discrediting labor and preparing the way for the assault that has followed upon it. Ought that to increase production? Is that calculated to make the man who works to work harder and sweat a few drops more?

LABOR THE VICTIM OF THE PROFITEERS.

Labor is being shamelessly profiteered upon, but the profiteering interests have control of the channels of publicity. They suppress the fact that wages are not advancing in proportion to the cost of living. You do not hear much about that. You hear a lot of lies about workmen buying silk shirts and riding in automobiles. The fact is, that the cost of living is going up fast all the time. In February, 1920, the cost of living was 105 per cent more than in February, 1913. Those are the official figures. No one who knows anything about the situation will say that wage earners have received a proportionate increase.

Does the bloodthirsty rapacity of the profiteers, of which the masses are the peculiar victims, with no governmental hand raised for their effective protection, tend to increase production? Is that a reason why labor should be content, why men should work harder?

RAILROAD EMPLOYEES BETRAYED.

In August last the shop crafts of railroad employees were bitterly dissatisfied. They cried out for relief; they could endure it no longer. In my own city several thousands of them left their work. For several days work was suspended. Word came back from those in authority: "Be easy, go back to work; we will reduce the cost of living; be content with what you are receiving now, and we will bring the prices down." Those men went back to their jobs, back to their lathes, and took up their hammers. They went on with their work.

Prices did not come down and wages were not increased to meet them. The employees were quieted with these false promises until just before Congress turned the railroads back into private ownership—then, it was said, "We can not afford to raise wages now; we are just about to turn the roads back to the private owners; deal with them." You gentlemen know what happened as soon as the roads were turned back into private ownership. Do you think that the employees got a square deal? Do you think they will work harder because a fraud was practiced on them? Does that kind of treatment make for full production?

THE ESCH-CUMMINS BILL.

You gentlemen know how the railroad employees of this country opposed with all their power the passage of the iniquitous railroad legislation. You know how they exerted themselves to defeat it, you know how they told you they would accept your action upon that measure as the final test of the friendliness of Congress toward labor. You saw what followed, and yet gentlemen get up on the floor here and complain that labor is fighting them at home in their districts because they voted for that measure.

What do they expect? What do they think the railroad men ought to do? What did they expect the laboring men of this country to do? To lie down and forget? To increase production?

Oh, I told you then that there was nothing that could save a man who voted for that legislation except ignorance on the part of his constituents. I stick to that statement now. Labor has found out what was done to it, but the great public, not interested in labor questions, have not yet found out what was

done. But, mark you, they are rapidly finding out, and woe unto those who voted for that measure if their constituents find out before November?

THE COAL STRIKE.

Was there anything to conciliate labor or to incite it to higher efforts in connection with the strong arm suppression of the coal strike? You gentlemen remember the resolution adopted by Congress, how although it pretended to be aimed at lawlessness, its real purpose was to strike down the men who were asking for better wages in the coal industry. Was there anything about that to encourage labor—to make it more productive?

The coal miners were harried; their funds were seized; their leaders were jailed; the action taken against them by the Government was unprecedented in legal history; it was based upon an interpretation of a war law never intended to have such application, a law which had been suspended in its application to the coal operators, but which was used to its fullest and most drastic effect against the miners. Federal troops were employed to awe them; the processes of courts were hung over their heads; deputy marshals were sent into the mining camps, not to execute process, not in pursuance of any lawful duty imposed upon them, but to intimidate the miners and drive them back to work.

The strike was broken, but did it leave the miners peaceful and contented? Did they feel that they had received justice? Did they believe that the Government was on the side of their employers? What was there about the way by which the strike was broken to produce more faithful and industrious workers?

RAIDS ON ALIENS.

You gentlemen have read in the newspapers about the raids upon aliens—unconstitutional raids, raids without process of law, raids in which American citizens, women as well as men, were arrested, beaten, dragged to jail and held without legal process. The charge against them—against all but very few of them—was not that they were revolutionists in real intent and purpose, not that they had any conscious desire or purpose to overthrow the Government of the United States or to subvert law and order, but that they were members of the Communist Labor Party, a political organization.

A well-informed editor of New York City said to me that a great many of those who were arrested did not so much as know the difference between "Communism" and "rheumatism." They were illiterate, they were poor, they were friendless, aliens many of them, and far from home. They were not voters and they had no money; they had no voice, and so they had no champion.

That raid was made for punitive purposes. It was aimed at manual labor as a class; its purpose was to intimidate workers as a class. It was to strike terror into the heart of every foreigner in this country and to make him feel that he dare not claim higher wages or to take part in a strike for fear he would be sent back to some bloody land where his life would be forfeited.

Mr. BOX. Mr. Chairman, I merely wanted to know if the gentleman had read the evidence in those cases.

Mr. HUDDLESTON. I am familiar with the evidence in a great many of those cases and am able to say to the gentleman

that in less than one out of four of them was there any evidence whatever that the man was consciously an enemy of the American Government.

Mr. BOX. I want to ask the question, If a man makes application for membership in an organization that is communistic and lawless in nature and pays his dues month after month, on what ground does the gentleman base the claim of innocent action in such a case?

Mr. HUDDLESTON. I would say to the gentleman that he is of the same erroneous impression as a great many other men. Very few of those arrested had paid dues, many did not know that they were members, very few had any fair idea of the principles of the Communist Party.

The gentleman assumes that the Communist Party is a lawless organization; it is perhaps doubtful that it can be so called. I read its manifesto in some newspaper at the time it was organized last fall. There was a lot of stuff in it about "direct action," "mass action," and economic "revolution." You could not tell what it really did mean. The Secretary of Labor, after puzzling his head over it for a long time, has decided that the manifesto calls for forcible revolution. Perhaps he is right. But the point I make is that only a few of those caught in the raid had any real knowledge that they belonged to a party which advocated force.

LAWLESS OFFICERS OF THE LAW.

Numbers of those arrested were women. Numbers of the men arrested were American citizens. They were beaten and dragged off to jail. The citizens were subsequently weeded out and released, as were also a great many others who had been arrested and against whom no charges whatever were made. Many private homes were invaded without legal process, furniture was broken up, wives and children insulted, and husbands dragged away. Private papers were seized and carried off for evidence. There was no process of law for any of this, but the newspapers had been tipped off so as to get big stories. The parties arrested were denied bail, some of them for months, and cash bail in a large sum was the usual demand. Warrants were subsequently sworn out for such of the arrested parties as were held, and hearings are being had before the Secretary of Labor. Out of some 1,300 cases in which he has held hearings over 900, so I am reliably informed, have been discharged as innocent.

These raids on ignorant aliens no doubt had an effect, but what effect? Do they love America more? Is it yet their ideal as a place of refuge and justice? Will they make better citizens? Do they respect our Government more? Will they work harder? They may not strike, but will the output come from the factory where they are employed? Oh, a lawless people is bad enough, but a lawless government is infinitely worse.

THE "OUTLAW" STRIKE.

We turned the railroad employees over to the mercy of the managers. You know how little comfort they got. Their wages are inadequate. No informed man will deny that. And when negotiations failed, the labor leaders were discredited. They had counseled quiet and patience, and in the hope of relief the workers had yielded, but the leaders' policy of patience and forbearance failed. The employer interest forced the leaders

of labor into a position which destroyed their influence. Did that make for industry and increased production?

No; for the employees broke away from their leaders. They started their "outlaw" strike. A plain strike, with the obvious cause of inadequate wages, aggravated by broken promises and the passage of the railroad legislation. The strike is lost, as, of course, all outlaw strikes must be, but it was not permitted to die its natural death. "The strikers were lead by Reds, Bolsheviks, and revolutionists." That is the charge. The strikers know this is not true. They stagger under a false charge. I wonder if those who made the charge think that these wronged workers will produce more because of it—will they work harder?

HARD TIMES AHEAD—GOOD SENSE NEEDED.

We are drifting; sane financiers look forward with apprehension. Hard times are ahead. Times are coming that will try men's souls—men will be out of work by thousands, prices will remain high, and there will be no wages to pay them. There will be suffering, great suffering, unless human foresight be vain. We have need in this country for patience and good fellowship. We need it now more than ever before. Yet the great employers drive on and on with their processes of force. What will be the outcome?

I am hoping for the dominant classes of the country a little of sound sense and good feeling. I beg of them to stay their hands. They may be driving for ruin. I beg of them the exercise of good sense if they have no will for the exercise of the principles of brotherhood and Christianity. They are likely to destroy that which they would most preserve. I call them again to the law of compensation. You can not get good work unless you give justice to the worker. You can not get good feeling out of those who consider themselves wronged. The way to get production in industry is for the employer to do justice in industry.

And I would say that the law of compensation applies as well to government as to industry. Just governments are always loved. Just governments never lack defenders. Governments, like employers, in the end receive what they deserve, whether of good or ill.

* * * * *

Conditions, not Words, Create Unrest.

[Answer to criticism that the foregoing speech would cause unrest:]

MR. HUDDLESTON. Mr. Chairman, the Pilgrim Fathers came to America to escape injustice. They fled from persecution. I have no doubt that they were called by the stupid, false, and selfish of that time the seventeenth-century equivalents of "reds," "radicals," and "Bolsheviks," and such other epithets of that kind as were in use. They were nonconformists. They did not conform to dominant opinion. It is a penalty that people always have to pay who do not conform—first, persecution; second, misrepresentation; and third, vilification.

Many people in this world even now are stupid enough to believe, as there were people stupid enough to think then, that rebels against established churches and princes—communists, socialists, and other nonconformists—are made by words. They think that if you speak some forbidden words to a man

it makes a wild-eyed radical out of him. The idea of people of that stage of stupidity is that if you could just stop folks from talking all would be well. I can not deal with that kind of brain; I can not carry on any debate based on that kind of a theory. I am not willing to cast the little pearl or two I have in any such endeavor.

Now we have unrest in this country. We have a great deal of economic and industrial unrest. We have very little political unrest. But this industrial and economic unrest may be converted into political unrest by political measures which make men feel that they are being persecuted.

I have not the time now to say more than this: Communists are not made by words; socialists are not made by words. They are made by the overpowering eloquence of situations, of injustice, and of persecution.

No doubt the great employing interests of this country think they are doing the right thing. They think that to strong-arm the workingman and drive him into his corner will make him submit, and that he will go back and be just as docile as he used to be in the old times before he got so enlightened. But I would like to express in my modest, apologetic sort of way the thought that the people who are making Bolsheviks in this country are those who oppress others. It is the profiteers, it is the exploiters, it is those who grind the face of labor. It is those who make the men who work feel that they are being treated with injustice.

And I want to say again in my modest and apologetic way that the head of the Steel Corporation, in my judgment, did more to provoke discontent in the United States than every agitator in it put together could possibly do when he stood in the President's industrial conference and refused to agree to a measure which would have made for peace and harmony between the workers and their employers.



THE PITIFUL SITUATION OF THE JEWS OF CENTRAL EUROPE

SPEECH
OF
HON. GEORGE HUDDLESTON
OF ALABAMA
IN THE
HOUSE OF REPRESENTATIVES

DECEMBER 10, 1920



WASHINGTON
GOVERNMENT PRINTING OFFICE
1920

24479—21206

SPEECH
OF
HON. GEORGE HUDDLESTON.

The House in Committee of the Whole had under consideration H. R. 14461 (the Johnson bill), providing for the suspension of immigration for two years.

Mr. HUDDLESTON. Mr. Chairman, I speak on this measure as an old-fashioned American, as one who comes of a stock so long in America that there is no record of when they came. So that I may be pardoned, I hope, for taking an old-fashioned American view of this question and for not adhering to some of the remarks which have been made upon this bill. I hold to old-fashioned ideals of Americanism and not to the new-fangled, narrow, and chauvinistic spirit of nationalism. I still believe in the principles of Jefferson, in the principles recognized in the American Constitution, and in some of the old ideals for which our ancestors labored and fought.

AN ANTI-SEMITIC BILL.

It has been charged that this bill is an anti-Semitic bill, that it is aimed particularly at the Jews of Europe who are seeking to come here. To such an extent, if any, as the bill has the Jew particularly in view and aims at his exclusion, the bill is irredeemably bad. I have no hesitation in saying that.

I read in the report of the committee a very significant statement, a statement of sinister significance, found on page 6, which is this:

The committee has confirmed the published statements of a commissioner of the Hebrew Sheltering and Aid Society of America made after his personal investigation in Poland, to the effect that "If there were in existence a ship that could hold 3,000,000 human beings, the 3,000,000 Jews of Poland would board it to escape to America."

I also read in the appendix, on page 11 of the report, comment on the situation as to applications for passports for emigration from Rumania:

Bucharest: Possibly 10 per cent of applicants are Rumanians from Transylvania or the Old Kingdom. The remainder are Jews, mostly from Bessarabia and Bukovina, practically all, except women and children, being petty merchants or salesmen. It should also be noted that the proportion of men emigrating is increasing and that not a few are probably fugitives from Ukraina who have managed to obtain Rumanian passports. Ninety per cent of applicants are Jews of both sexes and all ages.

I wonder, in the light of those statements, why it is that the Jews of Ukraina and Rumania are seeking to escape, and why the Jewish population to the last individual is seeking to escape from Poland. I wonder why it is. Their economic situation is not more severe than the balance of the populations of those countries. There exists no reason, so far as I can conceive, unless the Jews are meeting in the countries of their nativity with oppression and abuse on racial and religious grounds.

I can draw no other inference from the fact when a nation's entire population of a certain race and religion is seeking to escape from that nation.

NO PARTNERSHIP WITH PERSECUTION.

I read with deep indignation accounts of Poland's anti-Jewish pogroms, of the butchery of men and women in cold blood. The stories of these atrocities were denied by representatives of Poland. Now we find them verified by the wholesale flight of the Jewish population. I can not forget that the new State of Poland was brought into being by the aid of America and her associates in the Great War; that we have succored and sustained the Poles, furnished them supplies, and loaned them money from the public funds. More than that, we furnished many millions of dollars in supplies and munitions with which Poland might repel the bolshevist invasion. I am deeply disappointed by the failure of Poland to appreciate the spirit in which American aid was given. America can not, and will not, be partner and companion with bloody-handed oppression of race and religion.

I have in mind also that Ukraine and Rumania are reaching out their hands to us for help. Already we have given substantial aid to Rumania. These people must be made to know that our country will not countenance rapine and murder; that we will not aid those who commit atrocities upon a harmless and inoffensive people.

The present "white" Government of Hungary owes its existence in part to aid and sympathy extended by our Government. It has repaid our humanitarianism by a "white terror" of its own. A recent dispatch states that 15,000 Jews have been gathered in Budapest and condemned to deportation. They are being persecuted on racial and religious grounds.

One bright spot in that part of eastern Europe, where Jews live in large numbers, is Lithuania, from which no reports of oppression and pogroms have come. Lithuania seems disposed to treat the Jews fairly, and although some of its largest cities are more than half Jewish, Lithuanians are not trying to come to America in overwhelming numbers. It speaks splendidly for the Lithuanian people and their spirit of democracy and humanity.

A PATHETIC SITUATION.

It is a pathetic fact, one of the deepest pathos, which should wring the heart of every humanitarian, that after all the Jews have suffered in the terrible war they must now abandon the countries for which they offered their lives and flee to a distant land to escape religious and sectarian persecution.

Of all the peoples of the world, no people, unless it may be the Armenians, have suffered so universally and so greatly because of the Great War as the Jews. Living, as they do, chiefly in eastern central Europe, in territories which were ravaged and overrun again and again by the contending forces, crushed under foot by every invader, their homes destroyed, their families outraged, their possessions swept away, their desperate situation to-day makes overwhelming claims upon the humanity and sympathy of all mankind.

They served in our own Army. They offered their lives in support of our flag. They served in the allied armies, in the armies of Germany and Hungary and Austria and Poland and Russia, and no man anywhere can point his finger at the Jews as a people and say that they shirked their patriotic duty. But now, having served and having done their best, having suffered alongside of the most unselfish, they find themselves persecuted and driven away from the countries they fought for; they must abandon their homes; they must come to a strange country; they must seek new hopes and new fortunes in a distant land. The situation must appeal to any heart that has any sympathy.

The Jews as we have them in America—and of course we have them from every country of Europe—furnish a valuable element in our people. I would not have them away. It is too late to say that the Jew can not be assimilated in America. We have the Jew in such numbers that there is no use in discussing that question any longer. He can be assimilated; he has been assimilated in the past, and he will be assimilated in the future. There are no people who come to this country who are so ready to lay aside their allegiance to foreign governments, to foreign flags and foreign institutions, and to embrace those of America.

A LOYAL PEOPLE.

We had a good deal of spy hunting during the recent war. We had charges of men being slackers and of being objectionable hyphenates. Men were charged with disloyalty, with loving some other country better than America. But nobody pointed to the Jews and said they were guilty. On the contrary, the Jew was always willing to say, "I am an American, I love America, I am willing to stand by the institutions of my adopted country." No Jews in America were partial to Hungary or to Germany or willing to betray our cause and our flag in behalf of any country that lay across the seas. Always they held our institutions and our interests above those of their native land.

And I say it is a peculiarly pathetic situation which is presented here just after the war, when we have had this splendid evidence of Jewish loyalty and patriotism as citizens. It is a peculiarly pathetic situation that here is presented a bill that is aimed at the Jews. I am not willing to have this bill aimed at the Jews. We should attach to it certain reasonable and proper amendments which would open the doors of this country as an asylum to people like the Jews and the Armenians, who are being oppressed at home on racial or religious grounds. [Applause.]



“THE CRIME OF 1920”

HOW THE PUBLIC IS PLUNDERED UNDER
THE ESCH-CUMMINS RAILROAD ACT

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

DECEMBER 31, 1920



WASHINGTON

1921

27123--21246



SPEECH

OF

HON. GEORGE HUDDLESTON.

Mr. HUDDLESTON. Mr. Chairman, the opportunities which the Esch-Cummins railroad act gives to the crooked manipulators of the railroads to plunder the public become more manifest every day. Even the credulous gentlemen who allowed themselves to be persuaded into supporting that measure are now beginning to find out that they were deceived by the railroad lobbyists and their astute lawyers. Those who opposed the measure find all their fears verified and see new perils for the future.

The lobby behind the railroad legislation enacted in the spring of 1920 was the most powerful ever assembled in Washington. It had all the sinews of war, money, prestige, influence, and the best brains purchasable on the market. It finally succeeded in forcing upon the people a measure of tremendous consequence. The lobby won for the financiers who use the railroads as their playthings, advantages which the public had never dreamed of giving and which even the imagination finds it difficult to grasp. All this is being disclosed day by day as the victors reach out to grasp their spoils.

The eyes of the people are being opened at last. They are seeing now what they should have seen months ago. Their anger rises as they become enlightened, and it may yet transpire that they will be fully aroused before it is too late to take vengeance.

The power of the interests behind the railroads is overwhelming. They are able to mold and control public opinion at will. At a sign from them the presses of great newspapers change stroke, the channels of public information are blocked, criticism is silenced, and bandages are placed upon the eyes of the people. Denying with these great selfish interests we are confronted not only by railroad officials and manipulators but with captains of industry and finance, capitalists, and, after them, with civic bodies and with wealth and property interests with lines running from the heart of Wall Street throughout American business life down to the shareholder of the country bank. All are marshaled to meet an attack. It is not merely a matter of politics or business but ties onto social affiliation and prestige; and the attacker finds himself not only strangled in business life but alienated from his friends. To attack these great financial interests is, they say, "making war on society and on our institutions." To criticize the crooked managements of railroads, and the schemes by which they are enabled to fleece

the people, is to be a "socialist" or a "bolshivist" and an enemy of society and to be frowned on by the highest social classes from the metropolitan club to the lively circles of the village literary society.

"THE CRIME OF 1920."

But, as I say, the people are awakening and there is yet hope. I observe signs of it in some of the smaller newspapers. I quote from an article in the Advance, a newspaper published in Birmingham, Ala.:

The iniquities of the Esch-Cummins Act passed by Congress last spring are now being seen more clearly. When they are fully understood by the public this infamous piece of railroad legislation will be known as the crime of 1920. Never was a more outrageous law forced upon the American people.

When the measure was being criticized at the time of its passage those who voted for it in Congress held themselves out as defenders of the public against the aggressions of organized railroad employees. They made a labor issue out of it, representing themselves as standing between the public and selfish railroad workers who were seeking to manipulate the railroads for their own advantage. As a matter of fact, it was not a labor issue. The labor end of it was its least important aspect. What those responsible for the measure really did was to betray the American public for the benefit of the capitalists who own the railroads. Then they tried to escape under a smoke cloud of prejudice against organized labor. They did not defend the American shippers and consumers; to the contrary, they betrayed them. It was a clear case of treason to the interests of the people.

The true inwardness and meaning of the Esch-Cummins Act now begins to be seen by even the least informed. The most simple-minded can not shut his eyes to the startling increase in railroad rates which the law has caused. Under it the Interstate Commerce Commission was compelled to grant exorbitant increases, which in this territory are 25 per cent on all freight rates, 20 per cent on passenger fares, and 50 per cent on Pullman charges. It is estimated that the annual charge upon the pockets of the people of the United States which the increased rates will produce is over \$1,500,000,000, the equivalent of \$75 for each family. Think of it! A tax of \$75 annually levied by this law upon every head of a family in America.

But the increase of \$75 annually on each head of a family, which goes into the pockets of Wall Street, does not represent all of the added burden imposed upon the people, for to the increased rates must be added increased profits, manufacturing costs, overhead charges, and a multitude of other items. Experts on the subject estimate that for every dollar that goes into the pockets of the railroads, \$5 are taken from the consumer. So that the colossal steal from the American people chargeable directly to the Esch-Cummins Act reaches the stupendous total of \$7,500,000,000, or \$375 for each family per year.

A sinister feature of the situation is that the railroad question appears to be barred out of political discussion. Neither of the great parties is discussing it. The railroad magnates were not only strong enough to force the bill through Congress but are powerful enough to forbid discussion of the railroad question by newspapers and public men. They are able to keep the issue away from the people who are left to find out what they can about it from their own bitter experiences and from private sources.

It was obvious to those who understood the Esch-Cummins Act that the Public Treasury would be rifled under the provisions by which earnings were guaranteed for a limited time. Under that provision \$650,000,000 has already been taken out of the Treasury by the railroad owners, and it is reliably stated that another \$650,000,000 will be required to discharge the obligation which was assumed by that act. This will make a total of \$1,300,000,000, which is \$65 for every head of a family in the United States.

It was also clear that the passage of that measure would result in large increases in freight and passenger rates. The increases have been asked for and given. They range from 20 per

cent to 50 per cent, according to territory and subject, on passenger, freight, and Pullman rates. The express companies have received similar increases. These increases aggregate no small sum. They are computed to yield a total of sixteen hundred millions annually, which means in the end, as stated in the article in the Advance, some five to seven billions added to the annual cost of living.

Friends of the farmers say that they want to do something for the agricultural interests. I tell them that the best thing they could do for the farmer is to see to it that he gets reasonable transportation rates for himself and for his produce.

EARNINGS NOT CONDITIONED ON HONEST MANAGEMENT.

The Esch-Cummins Act provides for the adjustment of railroad rates so as to allow net earnings of $5\frac{1}{2}$ per cent, with an additional 1 per cent for repairs, and so forth, making a total of $6\frac{1}{2}$ per cent net earnings authorized. It was to afford this net of $6\frac{1}{2}$ per cent that the recent increases in rates were allowed. But the law does not require that railroad earnings shall be based upon honest management or economical administration. To the contrary, it left the door wide open for recklessness, bad judgment, and even actual dishonesty. A railroad is entitled to its $6\frac{1}{2}$ per cent net no matter how extravagant the salaries of its officials may be nor what waste or incapacity they may be guilty of. They may wantonly waste the railroad's money, yet they are entitled to demand rates to meet the very waste at which they have connived.

The railroad financiers at whose behest the transportation act became a law, have been quick to avail themselves of the jokers concealed in the law. The act did not bind them to *economical* management. Therefore they have entered upon a course of deliberate waste, by which perhaps they do not harm the railroads, for the latter are protected by the $6\frac{1}{2}$ per cent clause, but by which they are able to benefit themselves individually. I refer now particularly to the matter of repairs and replacements which many railroads are letting to outside concerns in which their owners have a financial interest.

NOTORIOUS COST-PLUS CONTRACTS.

As has already been found out, more than 20 railroads of the United States, among which are great lines like the Pennsylvania, New York Central, and North Western are practicing letting repairs to outsiders instead of doing the work in their own shops. In practically every case the contract price is from three to five times what it would have cost the railroad to do the work in its own shop. On one road—the Erie—so I am informed, the railroad has leased its shops to a newly organized corporation in which some of its officials have a financial interest, and purpose to have this concern conduct their shops and do their work, including repairs, on the notorious cost-plus basis, resulting in great increases in the cost of the work, and yielding large profits to the contractors.

I have some details of the practices to which I have referred. The New York Central has had 65 locomotives repaired by the Baldwin Locomotive Works, at an average cost of \$19,057 for each locomotive. These engines might have been repaired in the Central's own shops for an average cost of \$4,466. The Pennsylvania has had 200 locomotives repaired by the Baldwin

Co. under the agreement that the charge for repairs should be actual cost, including material and labor, plus 90 per cent of labor, plus 15 per cent of the total, resulting in an expense of about \$15,000 per locomotive in excess of what it would have cost the railroad to do the work in its own shops. The Chicago, Milwaukee & St. Paul has had 20 locomotives repaired by the Baldwin concern upon a similar cost-plus basis. Similar contracts with various repair concerns have been made by the Atlantic Coast Line, Jersey Central, Burlington, and other railroads.

I refer to the foregoing merely by way of illustrations. The same method is practiced as to repair of freight cars and to other railroad repairs.

It is estimated that repair costs for all the railroad systems of the United States aggregate about \$500,000,000 annually. If this work were all done in contract shops at similar expense to the contracts I have mentioned, the annual waste resulting will aggregate over \$500,000,000. This will cost the railroads nothing, for they may increase their rates to absorb it and still get their 6 3/4 per cent net. But it will be added to the rates that the people must pay. The people must pay for this waste by increased rates. It may easily transpire that the railroads waste on repairs more than a billion dollars per year, to be added to the already crushing transportation burdens resting upon the people.

THE PRESIDENT'S VETO.

- On yesterday the President vetoed Senate bill 4526, which had for its purpose the further postponement of the effective date of section 10 of the Clayton Antitrust Act. The great importance of the President's action may not be appreciated by the general public. It is my purpose to explain its deep significance.

The antitrust act was approved October 15, 1914. Section 10 of that act prohibits railroad companies from having business dealings amounting to over \$50,000 annually with other corporations having any of the same officers as the railroad company, except after receiving competitive bids. For illustration, section 10 prohibits a railroad from purchasing material from another concern owned by the railroad company's officers, no outside bids being considered. The purpose of section 10 was to protect the railroads from being plundered by their officers through contracts made with concerns in which the officers were beneficiaries. It was intended to protect railroads from looting by their own officers. Clearly it was a wise and salutary measure.

By the original terms of section 10 it did not become effective for two years after its approval. This interval was given to enable railroad officers who were interested in contracting and supply concerns to withdraw from them and put themselves in a position to deal honestly with the railroads which they were managing. Upon one pretext and another the effective date of section 10 has been postponed from time to time until December 31, 1920, a total of over six years having been allowed railroad officers to disentangle themselves from their conflicting interests.

Attention is particularly called to the fact that section 10 does not forbid railroads from dealing with concerns having

interlocking ownership absolutely, but merely requires in such cases that competitive bids be received and that outsiders be given the chance to do the work or supply the material on more favorable terms. Therefore at most it involves merely the inconvenience of considering competitive bids. Very mild indeed is the prohibition which it involves. Six years has been abundant time in which railroad officers might accommodate themselves to the law.

Perhaps managers of railroads might have been content with the extensions of the antitrust act heretofore given them, except for the passage of the Esch-Cummins Railroad Act last spring. Many iniquities of that act were pointed out at the time of its passage. Other vicious features have been coming to the surface from time to time. One matter which escaped general criticism at the time the law was passed was the opportunity which it affords railroad managers for deliberate dishonesty. Perhaps this feature may have been overlooked even by the railroad lobby, if it be possible that anything could escape the supernaturally cunning members of that organization. However, the managers very soon showed their knowledge of the opportunity given them and their purpose to avail themselves of it.

MANAGERS GIVEN A FREE HAND.

The transportation act authorizes railroad rates which yield net earnings of 6½ per cent. This return is not conditioned upon capable or economical or even honest management. The railroad managers are given a free hand to increase the costs of operation by any means they choose. Always they are allowed the 6½ per cent net return, with the only limit being "what the traffic will bear." With this feature of the Esch-Cummins Act in view it becomes at once clear why section 10 of the antitrust act should become effective. The law was passed originally primarily for the benefit of the innocent stockholders of railroads. It now needs to be enforced for the protection of the long-suffering public against the rapacity of railroad executives. It is the only bar between the public and transportation charges made as high as the traffic will bear.

As the practice of contracting with outside concerns in which they were interested developed and the railroad financiers saw what a splendid opportunity for looting they had, it became obvious to them that section 10 of the antitrust act would be inconvenient if their practices were to continue. They dreaded competitive bidding. They were unwilling even to go through the form of taking competitive bids. And then it dawned upon them that unless the effective date of section 10 was further postponed they would find the situation more difficult with the beginning of 1921. But Congress was in vacation during the summer; the subject must not be publicly mentioned for fear it would arouse opposition. There were secret conferences among powerful executives and consultations with lobbyists and "legal advisors." "There was racing and chasing on Cannobie Lee" for the gathering of the clans in Washington with the beginning of the new session. A program of haste and stealth was agreed to.

Drawn with exceeding craft, twin bills were offered in House and Senate on the second day of the session. Again lobbyists

pranced before somnolent or docile committees. Favorable reports were made promptly, the House report being filed on December 15. Three days later, the Senate bill having already been passed, it was called up in the House without notice. Very little informing discussion occurred. Few realized the importance of the measure. Less than a quorum of Members were present. The bill was perfunctorily passed. The House did not even divide. Scarcely more than a dozen Members voted on the measure.

The purpose of the bill was to postpone for another year the effective date of section 10 of the antitrust act—to give railroad officials another year in which to buy, sell, and contract with themselves at the public expense without let or hindrance. Section 10 is at most a poor safeguard of the public interest under the Esch-Cummings Act. Without it the public is stripped and undone, and the rapacity of dishonest managers unrestrained.

Railroad officials, with whose practices section 10 of the antitrust act interferes, have never had any intent to comply with that law. They have always purposed to postpone its operation from time to time and finally to escape by changing the law. This is yet their plan. They dared not at this time present a measure which would relieve them permanently from competing with others in the contracts for railroad work and materials which they make with themselves. They did not dare that. They sought to postpone the matter to a more convenient season and to a Congress more inclined "to listen to reason."

THANKS TO THE PRESIDENT.

This is what the President has done by his veto of Senate bill 4526: He has prevented the further postponement of the effective date of section 10 of the antitrust act. He has prevented dishonest railroad officials from continuing to make contracts with themselves for work and materials without competition from outsiders. An important service has the President performed for the people of the United States.

The President has performed an important service by his veto unless the railroad lobby have the power to induce Congress to override the veto. That issue will no doubt be presented within a few days. In the meantime the people are arousing. Oh, that they had patriotic newspapers to warn them. But they are arousing, and I presume to advise gentlemen who would have the good opinion of the public to beware of lending themselves to thwarting the President's veto.

Thanks to the President of the United States for his veto.

27123—21246



"Gnawing the Bones of the Treasury"

SPEECH
OF
HON. GEORGE HUDDLESTON
OF ALABAMA
IN THE
HOUSE OF REPRESENTATIVES

FEBRUARY 8, 1921



WASHINGTON
GOVERNMENT PRINTING OFFICE
1921

33940—21309

SPEECH
OF
HON. GEORGE HUDDLESTON.

The House in Committee of the Whole House on the state of the Union had under consideration the Winslow bill (H. R. 15836), to amend the transportation act, 1920, etc.

Mr. HUDDLESTON. Mr. Speaker, the railroads are like a beast of prey, which having gorged itself upon its victim now returns with a new appetite to gnaw the bones.

Section 209 of the Esch-Cummins Act—the transportation act of 1920—guarantees that for six months following the approval of that act the net earnings of the railroads shall equal the compensation paid by the Government under Federal control, and that any deficiency in such earnings shall be paid from the Public Treasury. Section 204 extends this vicious guaranty to those railroads which were never under Federal control. The guaranty is not conditioned on efficient or economical management, nor even upon honest management. The railroad managers were left free to enter upon an orgy of extravagance, waste, and dishonesty. The Treasury foots the bill.

EARNINGS SHOULD NOT HAVE BEEN GUARANTEED.

The earnings of the railroads should never have been guaranteed. They are conducting a private business. There is no more reason why the Government should guarantee their profits than the profits of a farmer, merchant, or other business man.

Few people of the country knew that the guaranty was given. There are even Members of Congress who were ignorant of the fact. The guaranty ought not to have been given. It constituted a betrayal of the public interests. It can not be excused nor justified. The railroads profited from Federal control. They received profits which they could not have earned in private control. The net profits of some of the railroads under Federal control were enormous; for instance, the Union Pacific received 12.8 per cent upon their investment, and the Atchison, Topeka & Santa Fe 10 per cent. Numerous others received from 6 to 10 per cent. The guaranty gave them the same profits and on top of that the opportunity for waste, extravagance, and graft. For instance, it gave to the Union Pacific a net earning of 12.8 per cent no matter how wasteful and dishonest was its management.

The guaranty ought not to have been given. The Government got nothing from the guaranty; not a cent of benefit went into the Treasury; it was merely a donation to the railroads.

But the guaranty was given. Perhaps it will be said that it constitutes a contract which the United States is bound to perform. I am willing to perform our contracts, unwise though they may be. I opposed the transportation act with all my strength, but I will live up to that act. I will give the railroads

all we promised them. I will perform their oppressive bond, but I insist that they take their pound of flesh exactly as it was agreed upon—that they cut it when and where the contract stipulates. They shall not cut their pound of flesh in advance, it is not “so nominated in the bond.”

GUARANTY NOT YET DUE.

By the terms of the guaranty advances to meet current expenses were authorized during the six months' period, but no payments can be made after the six months except a payment in full upon a final ascertainment of the amount due. Many railroads received advances under the guaranty; these advances aggregated, under section 209, \$260,391,874, and, under section 204, \$622,877.49. The balances which they may be entitled to receive are not yet due and will not be due until there is a final settlement, which in the case of some railroads may be postponed for several years, and during that time no interest thereon will accrue. The Winslow Act proposes to anticipate the payments not yet due under the guaranty and to pay to the railroads in advance and without deduction of interest the sums which it may be estimated will be found due them upon a final settlement. In its most favorable light it proposes a cold gift to the railroads of the interest which will accrue on the deferred payments. It proposes that a debtor shall now pay his note due several years hence without discount and without deduction for unaccrued interest. No man can deny this statement.

But my opposition to the Winslow bill, which proposes to pay now what may be estimated to become due in future, is not based upon mere sentiment nor yet merely upon the loss of interest by anticipating payment. I realize that if the railroads are compelled to wait for their money until there is a final settlement we will have a final settlement soon.

The railroads will file their claims without delay; we will pay the amounts in sight as due; and that will be the end of the matter. But the guaranty does not limit the time within which final settlements must be made. Claims may be made 10 years hence if the Winslow bill is passed and we pay the railroads their present claims. Final settlements will be delayed indefinitely. Partial payments will be claimed from time to time. The matter will be drawn out, and not only hang over for many years, but added claims will be made. New items will be presented. Aggregations will be swelled to the limit, and in the end the Public Treasury will be plundered for perhaps \$200,000,000 more than if final settlements now were made. The Winslow bill stands to cost the people not only long delay and vexation, but a loss of perhaps \$200,000,000 of public money.

A BILLION-DOLLAR GIFT TO RAILROADS.

When the transportation act was passed it was estimated that \$400,000,000 would cover the cost of the guaranty. But already the guaranty has cost \$261,140,751.49, and additional claims are already made of about \$370,000,000. The estimated cost of the guaranty has already jumped from \$400,000,000 to \$631,000,000. Under the Winslow Act the total will reach \$800,000,000 to \$900,000,000. Think of it! A cool gift of almost \$1,000,000,000 from the public funds to the railroad interests of the United States.

SHAMELESS HYPOCRISY.

The railroads cry for help and pretend that their chiefest concern is to give employment to labor. This pretense comes with poor grace from the interests which have evaded the labor sections of the transportation act. The typical railroad attitude toward labor is shown by the statement of the Railroad Labor Board of December 17, 1920, from which I quote:

It has come to the knowledge of this board that certain carriers have intimidated and coerced individual employees seeking the redress of grievances, refused to confer with their employees thereon, have discharged representatives of organizations who sought a conference pursuant to the act, and have refused to refer disputes to this board for its decision. Such carriers have disobeyed the letter and spirit of the act and are violators of the law which it is the duty of all citizens faithfully to support and obey.

They say that they want Congress to pass the Winslow Act so that they may give employment to labor. Remember that they are now seeking to destroy the national labor agreements; remember that some of them have made sensational cuts in wages without consulting their employees or the Labor Board; remember that some of them discharged thousands of their shop employees so that they might let cost-plus contracts for repairs to outside concerns owned by the same men. Remember that after having strenuously insisted upon the adoption of the labor sections of the transportation act against the bitter opposition of the employees, many of the railroads have flouted those sections with the deliberate purpose of destroying labor organizations and breaking the back of labor's self-respect. Such shameless hypocrisy discredits any claim that the railroads might make in their desire for legislation.

If the railroads want a donation of public money so that they may be enabled to give men work, I reply that I prefer to give charity direct to the suffering and not to trust a rapacious interest to pass on to the needy the few crumbs that may fall from their table. If we are to make a donation for the benefit of labor, let us give it direct to labor and not make it by such extreme indirection that the worker will receive it by being given work at starvation wages. If we are to practice the paternalism which the interests behind the railroads have fought so viciously when others were the supposed beneficiaries and spend public money to give men work, I say let us give them work at wages fixed by Congress and upon public work, so that the general public may receive some benefit. I would not be guilty of sending my rich neighbor a fine turkey merely to enable him to pass on the bones to a starving child.

THE FALSE CRY OF POVERTY.

The railroads cry poverty and assert that, notwithstanding the increases in rates by which they take an additional \$1,600,000,000 every year from the pockets of the people, they are about to go into bankruptcy. They demand further money direct from the Public Treasury. But it is not in the Treasury. The Treasury owes more than two billions in short-term certificates falling due monthly. More must be borrowed within a few days to meet current expenses. What the railroads demand is that the Treasurer of the United States shall go out and borrow three hundred or four hundred millions in order to anticipate the payments which may become due under the guaranty. They do not consider that the public credit will be impaired—that the value of

Liberty bonds will be further depreciated; that the distress of other borrowers will be aggravated. In their selfish desire for money for themselves they are willing to threaten the whole financial structure.

But the railroads' cry of poverty is a false cry. They do not need money nearly so bad as they represent. In April, 1920, the Pennsylvania sold its bonds at 7 per cent. That railroad is now floating an immense bond issue at 6½ per cent. The financial world does not credit the railroad cry of poverty. The Washington Star, which is a sort of organ of financial interests, on January 15, referring to the Winslow bill, said:

Very likely the testimony before the House Committee on Interstate Commerce yesterday to the effect that the railways were seriously crippled by not receiving money due from the Government had something to do with the hesitation in this class of stocks. Still there was not the least weakness. It was obvious that the case of the railroads was being made out as bad as possible in order to hasten relief action.

Wall Street knows the condition of the railroads and Wall Street holds railroad stocks and bonds at from 5 to 25 per cent above the prices this time last year. The railroads are merely taking advantage of the figures for two months' temporary business depression to frighten Congress into opening the Treasury door.

AN INSPIRED PROPAGANDA.

The railroads are refusing to pay their bills for materials. They tell the material men that they have not got the money to pay, and ask them to urge upon their Congressmen to vote for the Winslow bill. The material men have responded, and as the result there is not a Member of Congress who has not received urgent requests from every railroad-material concern in his district to vote for the bill. With characteristic duplicity the railroad interests resort to this typical fraud upon Congress in order to get what they want. It is a railroad hold-up of the usual kind. The material men have probably written their Congressmen in good faith. They have been deceived. They do not know that some of the railroads which have asked them to bring pressure to bear on Congress have already had large advances under the guaranty, and there is little left to them under it. Others have borrowed money from the revolving fund; others have funds in their treasuries, and still others can borrow at low rates. In working a fraud on Congress these railroads have started out by lying to the material men. Through the material men and other interests which expect a secondary benefit strong pressure is being exerted in behalf of the Winslow bill. It is always thus when selfish interests are involved. They call in their affiliates, pressure is begun—nobody represents the great unorganized public; it is voiceless and without champion—so greed and rapacity drag down their prey.

A SELFISH-INTEREST MEASURE.

The Winslow bill is a typical selfish-interest measure. Conceived by selfish interests, pressed by selfish interests and their class and business associate, the public—unrepresented and voiceless—is the inevitable victim. I was amused to read the hearings held on the bill. There was first Alfred P. Thom, general counsel Association of Railway Executives, and following him Thomas DeWitt Cuyler, chairman Association of Railway Executives; Samuel Rea, president Pennsylvania Railroad; M. L. Bell, counsel for Rock Island; Daniel Willard,

president Baltimore & Ohio; William J. Hobbs, vice president Boston & Maine; H. S. Marks, general counsel American Express Co.; Byrd M. Robinson, president American Short Line Railroad Association; Otis B. Kent, attorney Merchant & Miners Transportation Co. These spoke for the railroads. With all the adroitness of the best brains in the market, the case for the railroads was presented. The railroad supply concerns were represented by Frank W. Knoxson, secretary Railway Business Association, and Charles D. Drayton, attorney for supply concerns which had fallen for the poverty cry of the railroads and want to collect their bills and to sell more supplies. Mr. Clark, of the Interstate Commerce Commission, also appeared, and a letter from the Secretary of the Treasury was read. Who represented the great American public? Nobody. Who opposed the plea of the railroads? Nobody. No champion of the masses, of labor, or of the general public was heard. The representatives of selfish interests had it all their own way.

MACHIAVELLIAN PRACTICES.

The railroads know how to be arrogant as well as to be servile. They know how to plead strength as well as weakness. They are armed on all sides for all kinds of experiments and adventures. They are bullies to those who may be bullied, flatterers to those who may be flattered, cunning when strategy is required, bold when demands will be submitted to. They are like wrestlers, pure opportunists, taking advantage of any movement of the adversary. No principles restrain them. They are concerned with ends, not means. They ask for the Winslow bill arrogantly because the money is due them, servilely because they are poor, hypocritically that they may give work to labor, piteously for that they did not draw the original guaranty clause with sufficient cunning so that the comptroller's decision was unexpected.

But brushing away the smoke of the disguise we see the Winslow bill in the clear light as a cynical proposal to donate public money to the railroads, not to pay them what is owing, but to anticipate a debt not yet due—not to pay the agreed amount, but to enormously swell it so that the Government will lose several hundred millions in the end.

The railroads do not need the Winslow bill if they are willing to have final settlements now. A railroad may present its final claim to-day to the Interstate Commerce Commission and get the money on it. But that is not what they want. They are seeking an advantage not given them by the law. They are asking that, for the first time in legislative history, a discrimination in favor of a railroad as a creditor shall be made by the United States as against all other creditors of every kind and class.

NO CONSIDERATION FOR GUARANTY.

In his letter to the committee, the Secretary of the Treasury said:

The guaranty provided in section 209 for the six months following the return of the roads to private control is not a compensation for any service rendered by the carriers to the Government or people of the United States which the carriers would not have been bound to render without the guaranty. The compensation to which the carriers may be entitled for the use of their property during the period of Federal control is adequately provided for elsewhere. I can think of no reason why the claims of the carriers in respect to this bountiful act of the Govern-

ment should be relieved from the application of the safeguards erected for the benefit of the Government in its accounting system and its usual and orderly procedure for payment of claims in the same manner as such safeguards and procedure are applied to claimants for compensation for property or services rendered the Government.

The Secretary also said:

Upon the policy of authorizing to be made to a class of claimants who announce their claims as being vast, but have not as yet committed themselves as to the amount, partial payments of public money to sustain them while they expend effort and money in the preparation and support of claims against the Government for losses sustained in their own management of their own property I do not venture to express an opinion. This is a matter for Congress.

The Secretary, together with Chairman Clark, of the Interstate Commerce Commission, seemed to feel that as public officers it was improper to advise what action Congress should take on the bill. But Members of Congress are charged with the duty as representatives of the people to oppose measures expressing bad public policy or in derogation of the general public welfare. In that capacity we must approach this measure without fear or favor.

DO NOT COME WITH CLEAN HANDS.

The railroads' proper attitude in presenting this measure is that of cringing, for they ask a favor—they ask, as I have said, a donation. Those who come asking favors should come with clean hands. The railroads should come with a showing that they have faithfully lived up to the transportation act, but this they have not done. They have evaded the law, have openly violated it, and have grossly abused it. They pushed with all their strength for the insertion of the labor sections of the transportation act. They wanted to be free from fear of strikes they said. The employees bitterly opposed those sections. They regarded the sections as violating fundamental principles of American liberty. The employees warned Congress that they would accept our action upon those sections as the test of our friendship—they answered at the polls Members who had opposed their interests here. Members who thus estranged their friends by supporting the labor sections are now amazed to find that the railroads themselves, who insisted upon their action, have ignored and violated the labor sections and appear to wish them repealed. The railroads have evaded the labor sections. Some of them have engaged in open conflict with their employees. They have reduced their working forces, closed their shops discharging thousands, and contracted necessary repairs to outside concerns, in part for the purpose of destroying labor organizations and breaking the back of labor opposition.

But the hands of the railroads are fouled by other conduct than in respect of labor. The guaranty was not conditioned on efficient or honest management. There has been gross waste and deliberate extravagance. The railroads have contracted repairs to outside concerns on vicious cost-plus contracts and by other wasteful agreements which have resulted in costs for repairs of from 50 to 500 per cent above what the cost would have been in the railroad shops. The public foots this bill under the guaranty.

GUARANTY SWELLED BY FRAUD.

But the guaranty has been swelled by other means than waste, extravagance, and dishonesty. At once upon the return

of the railroads the executives entered upon a colossal program of repairs and renewals of way, bridge building and extensions, replacements and additions. Many, many millions were spent in reconstruction and other work—they put the railroads in better shape than they had ever been. More substantial bridges were built, roadbed widened, new rails laid, new sidings, new ties—more substantial than before. In this way the guaranty was swelled vastly beyond what was fair and right because wherever possible all these costs were charged against operation. Work of this kind was done on many roads during the guarantee period of from two to three times any previous similar period. It is said that work of this kind during the six months' guaranty was more than twice what it was during the following six months—all was charged to operation, all made a part of the railroads' claim for reimbursement under the guaranty, all to be paid for from the Public Treasury. And yet those who have been guilty of this plundering of the Treasury seek further favors from Congress.

LIGHT IS BREAKING.

Prior to its passage, speaking in opposition to the transportation act, I ventured to predict that every Congressman who voted for that measure would be defeated if his constituents found him out, and that the only thing that could save him was ignorance on the part of his constituents. Notwithstanding the greatest conspiracy for silence upon the part of the press, public men, and the molders of opinion ever known before, many constituencies found out enough to defeat candidates or to reduce their majorities. But the people as a whole have not yet found out what was done to them by the transportation act. Their channels of information are blocked and the truth is only gradually filtering through. But light is coming and the people will yet avenge themselves upon those who put over the transportation act and upon those who are willing to act as jumping jacks to the railroad interests.

33040—21309



"AN UN-AMERICAN MEASURE"

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FEBRUARY 24, 1921



WASHINGTON
GOVERNMENT PRINTING OFFICE
1921

36697—21344

SPEECH
OF
HON. GEORGE HUDDLESTON.

The House had under consideration the Senate amendment to the bill (H. R. 15872) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1922, by which amendment the passport control act of May 22, 1918, is made permanent law.

Mr. HUDDLESTON. Mr. Speaker, the measure under consideration makes a permanent law of the act of May 22, 1918, by which it is provided that it shall—

Be unlawful for any alien to depart from or enter or attempt to depart from or enter the United States except under such reasonable rules, regulations, and orders, and subject to such limitations and exceptions as the President shall prescribe.

The penalty for violating said act is \$10,000 fine and 20 years imprisonment.

That law was passed as a war measure and by its terms its operation was limited to the war. By this measure that law is reenacted so far as aliens are concerned, and it is made of permanent operation.

Any regulations which the President may adopt under this law obviously must require the alien desiring to come to the United States to have some form of permit from some agent of our Government stationed in the foreign country. As at present applied the regulations require the alien to obtain a passport from his own Government and to have same viséed by an American consul in his home country. That is the present practice. The offices of our consuls in various European cities are besieged by multitudes of emigrants seeking visés so that they may come to the United States. Long lines of these unfortunates stand in wait day by day. Sometimes weeks are consumed before the emigrant can learn from the consul what is required of him. Necessarily our consular offices are not equipped for this business. They have not sufficient clerical force. There is much useless red tape, heartbreaking delays, and much unnecessary suffering; but with this aspect of the matter it is not my purpose to deal.

THE O'CALLAGHAN CASE.

Under the law which it is now proposed to make a permanent part of the American system, no alien can secretly come to the United States, for obviously under any regulation which may be adopted he must obtain the consular permit before leaving home. If he is proscribed by his home authorities, he can not openly apply to the consul for the permit. If he should slip away and take ship as a stowaway or otherwise, he will find that upon setting his foot upon American soil he has committed a crime, and will find himself not in a land of freedom and opportunity, but will be confronted by officers of the law who will conduct him to a penitentiary for 20 years' imprisonment.

The recent case of O'Callaghan, the Irish refugee, has been referred to in this debate. The moment O'Callaghan put his foot upon the soil of Norfolk he violated the law; he became liable to 20 years' imprisonment. What course will finally be taken in his case, I do not know. Suffice it to say that he is now out of jail merely by grace of the Department of Justice. The law makes no exception in behalf of political refugees, nor of those persecuted upon racial or religious grounds. It makes no allowance for those fleeing from oppression, tyranny, or brutality. It requires that any alien who wishes to come to the United States must openly present himself at our consular office in his own country and by open application for a permit subject himself to the pogrom of a "black hundred," to the proscription of a red terror, or to execution by a firing squad.

ROBERT EMMET COULD NOT HAVE COME TO AMERICA.

The law proposed makes no exception—no alien can come secretly to the United States. He may be a man of high character; he may be a patriot; but he can not come to the United States without the permit. No Irish republican marked for death by a "black and tan" reprisal can find asylum in America; no Polish nor Ukrainian Jew, persecuted for his religious beliefs, can come to America; no Wrangel or Kolchak, proscribed by the soviet authorities, can come; no Korean patriot, in rebellion against Japanese tyranny, can come to America; no Egyptian, no Hindu, no Boer, no Alsatian, revolting against the constituted authorities in defense of his native land, can find refuge in America. Kossuth could not have come to America; Kosciusko could not have come; Robert Emmet could not have escaped the hangman's noose by breaking jail and shipping as a stowaway for the United States. None of the world's patriots whom brave and free men all delight to honor could have come to the United States.

The measure comes into the House as a rider upon an appropriation bill. It has never been considered by any legislative committee. The parliamentary situation in which it is presented does not permit that it be given the consideration that a measure of such importance should receive. Nothing can justify legislation of such importance being passed through the House in such fashion except a great emergency. No such emergency exists. The existing law by its terms remains in effect until peace is proclaimed. Congress will have ample time at its next session to take such action as may be proper.

CONGRESSIONAL ABDICATION.

But for another reason no emergency exists. The Johnson immigration restriction bill has been amended by the Senate so as to permit only 3 per cent of the nationals of the immigrants who have been naturalized as citizens to come to the United States annually. The existing immigration laws forbid the coming of all anarchists and others opposed to organized government or advocating the overthrow of government by force. The Johnson bill still further restricts immigration to 3 per cent of immigrants already naturalized. That bill has been agreed on in conference, is on the Speaker's table, and will be acted on within a few hours. No excuse that the measure under consideration is needed to bar out anarchists or other undesirables can be made honestly. The measure is not a meas-

ure for immigration restriction. In reality it merely serves to mark the abdication by Congress of its legislative function and turns over the entire subject of the admission of aliens to the executive branch of the Government. It authorizes the Executive to say who may and who may not come to the United States. It leaves the Executive free to follow any whim or pursue any arbitrary fancy.

This measure has never been considered by any committee of the House. The Committee on Foreign Affairs, of which I am a member, has reported the Newton bill. That bill, bad though it is, is much better than the measure under consideration. The Newton bill is comparatively mild. It merely extends the passport-control act to June, 1922. It excepts all those who may seek to come to this country to escape political, racial, or religious persecution. Its penalty is only 1 year in prison, instead of 20 years as provided by this amendment. The Newton bill is bad, but this measure is infinitely worse. And the Newton bill was approved by the committee by a vote of only 5 to 4, there being less than a quorum present.

REPUBLICAN PROMISES TO REPEAL WAR LAWS.

Now for a little heart-to-heart talk with our Republican brethren on the other side of the Chamber. This law was originally passed as a war measure to meet an emergency. You have recently won a great political victory. You won it upon your promise to the people of America that you would repeal the war laws. For more than a year I have been trying to get the war laws repealed. I have cooperated with you in your measures to that end. I thought that you were sincere; I still believe that many of you were sincere.

You promised the people that you would repeal the war laws. This law is the most drastic of them all. If we adopt the measure under consideration, you will violate the promise you made to the people that you would have done with war measures. You promised that you would carry this country back to normal. You got the votes of the people of the United States upon the strength of that promise. This is one of the worst of the war laws. When you made your promise to the people to repeal those laws you did not except this one; you did not except it when you spoke to alien-born citizens of the great industrial communities and asked for their support; you did not make an exception of this measure when you spoke to them; you made no exception whatsoever; you included all of the war laws; and on the strength of the promise that you would repeal them they gave you their support.

PEOPLE DEMAND RETURN TO OLD-FASHIONED AMERICANISM.

The responsibility now is yours. You have the majority. Will you violate the promise that you made to the people of the United States? I call upon you to redeem your pledge of faith. I demand that you make good your promises. Upon behalf of the great masses of plain Americans, I challenge you to perform your pre-election pledges. I say to you in their behalf that they are watching Congress as never before; they are demanding performance and not promises. They demand a return to old-fashioned Americanism and to American ideals. They will punish you if you refuse.

OPPRESSIVE MONOPOLIES MUST BE REGULATED.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

June 1, 1921.

Mr. HUDDLESTON. Mr. Speaker, the object of this bill is to authorize the consolidation of telephone companies engaged in interstate business, which is now forbidden by the Clayton Antitrust Act. It is to except telephone companies from the prohibition against consolidation contained in the Clayton Antitrust Act. That is its sole purpose. That is all that the committee believes it will accomplish.

The Clayton Antitrust Act was designed to prevent monopoly. It was to force competition. It did not recognize natural monopolies. It did not recognize existing monopolies. That act proceeded upon the theory that business interests can be compelled by law to compete. At the time that act was passed it spoke a sentiment which perhaps might reasonably have obtained in this country in 1890 or thereabouts. Perhaps at that time anyone would have been warranted in believing that competition could be forced—that monopoly might be prevented by law. Any such idea in 1921 is wholly untenable.

Any man of observation is bound to recognize that there are certain natural monopolies. There are also monopolies which exist as a matter of fact. There are monopolies which ought to exist in the interest of economy and good service of the public welfare, monopolies which must be promoted instead of being forbidden. The telephone business is one of these. Legitimate consolidation will promote economy. It will promote service. It is foolish to talk about competition in the transmission of intelligence by telephone. It is silly to believe that there can be real competition either in service or in charges.

NO COMPETITION IN TELEPHONE SERVICE.

Competition in the telephone business is absolutely impossible; that fact is recognized by the men who are in the business. In the hearings that were held on this bill we had some gentlemen before the subcommittee who were versed in this business. One of them was Mr. F. B. MacKinnon, of Chicago, president of the United States Independent Telephone Association, composed of practically all the independent telephone lines in the United States. I asked him a few questions, among which were the following. I asked: "To what extent is there competition in the telephone business now?"

"Mr. MacKINNON. There are about 1,000 cities in the United States now that have two exchanges."

I asked: "That does not necessarily mean competition?"

He replied: "Not in all those places."

I asked: "Is there any place where you know that actual competition exists—I mean in the matter of prices or charges for the service rendered?"

He replied: "Inasmuch as rates are regulated by the State authorities, the competition which is produced by rates and service has been entirely removed."

Mr. GRAHAM then asked: "There are some places in your State, and I know of one—my own home town—where one company has one rate and another company has another rate, both fixed by the public service commission."

He answered: "Yes."

I then asked: "That does not necessarily imply competition. One service may be of less value than the other."

He said: "Yes. In some cases rates are fixed upon the value of the property."

I asked: "Fixed upon the extent to which they are in a position to serve?"

He said: "Yes."

I said: "I am curious to know whether there is anywhere actual competition?"

He answered: "I do not think there is in the sense that we formerly used the expression. That matter is practically regulated by the regulatory bodies. Whereas this rule of the State commission granting a lower rate for one exchange in the same town than is granted the other exchange produces a certain amount of competition, yet we are obliged to admit that the rate is fixed by the commission based upon certain elements they are required to consider."

I said: "To the present time we have proceeded in matters affecting public utilities on the theory that there would be and is competition. You propose now by this bill to recognize the fact that there is no possibility of competition under present economic and social conditions?"

He replied: "That is really our theory."

Of course, there is no competition in the telephone business. There can be no competition, and we ought to recognize that fact. Consolidation means economy, and it means service. Some gentlemen object and say it will mean increased rates and poor service. I have no doubt that consolidations which have eliminated telephone competition in the past have resulted in that, but that was a fault in the regulation of the monopoly.

OPPRESSIVE MONOPOLIES MUST BE REGULATED.

Now I come to what I wanted to say, and that is this: The thing that the American Congress ought to do is to recognize that certain monopolies are inevitable, and that certain monopolies now actually exist, and others will and ought to exist, and should proceed to regulate those monopolies so as to get reasonable prices and good service for the people. Let us face the future and not the past. Let us live in the present and not in a time 40 years ago; let us deal with modern conditions and not with ancient history. This bill proceeds along that line.

American industry has proceeded through various stages of development. We had an era when competition actually existed in all lines, even in the railroad business. At that time there was honest competition and an honest effort to get business through price and service. That was the time of the small business man. It was a time when men willing to compete should have been protected and safeguarded by law and public sentiment. There was at that time no such vast aggregations of corporate wealth as make monopoly possible. Men did not have the financial strength and had not learned how to combine so as to hold an entire industry in the hands of a few. There was then no need for regulation. Regulation is never needed when there is competition, when there is no monopoly. That

was the time when laws should have been passed forbidding monopolies and protecting men from unfair competition.

IN ERA OF MONOPOLIES.

We have long passed that early stage in American industry, at least so far as many of the more wealthy and profitable industries are concerned. We are now in a second stage, the stage of monopolies. We are in the monopoly era, when competition is throttled by the might of wealth and combination. We are in the era of the Meat Packers' Trust, of the Steel Trust, of the Standard Oil Trust, of the Woolens' Trust, of monopolies in a multitude of the things of common use, of the things which are practically necessities of life to the Nation. In these lines of business there is no longer any competition either in price or service. The aim of these monopolists is not merely to get the most for the least return, but to grind the face of labor into the dust and to claim for themselves all that is best in our social and economic life.

These monopolies actually exist. They can not be broken up by law, because they are stronger than the law. Indeed, to destroy them would work a substantial economic harm. These monopolies, as might be said, are the product of our civilization. They are the industrial form which our civilization has taken. To destroy them would be to fly in the face of conditions of gradual growth and of business ideals which are the fruit of the times. Yet we find men battling against all the tides of economic and social development, trying to force the monopolists to compete—think of it—to compete with themselves. These men battle against all the elements of reason and experience, but I sympathize with them: They see the harm that unrestrained monopoly may do. They see how vast fortunes are being gathered, how profiteering flourishes, how the very lifeblood of the masses is being sucked away. They see how our ideals are being undermined. I sympathize with these men in their efforts against the monopolies, yet I realize that they are behind the times.

The Sherman Act served a useful purpose in its day, and so, no doubt, the Clayton Antitrust Act yet serves, as applied to some businesses; but in the main, laws forbidding monopolies and trusts are no longer applicable. They do not fit modern conditions. Their enforcement has become a farce. The authorities can not, indeed they dare not, enforce antitrust laws, because to actually destroy the trusts would leave a condition of economic chaos.

THOROUGHGOING REGULATION THE REMEDY.

Congress has already come to recognize that monopolies in some things can not be prevented. Witness the packers' bill, which the House is now considering. Witness railroad consolidation authorized by the Esch-Cummins Act. We are entering upon an era of regulation, an era which recognizes monopolies, because without monopolies there is no occasion for regulation. It behooves us to look present conditions squarely in the face and to see and know things as they actually are. We must recognize that monopolies exist in certain great lines of industry and business, and that they ought to exist, for economic laws demand that they should exist. We should therefore proceed with courage and determination to see to it that these monopolies perform their proper functions in our economic life, that they do not oppress the people, that prices are fair, that profits are not unreasonable, and that people get what they

pay for. In short, we must proceed to regulate the monopolies, to regulate them in a thoroughgoing manner, and to protect the people from their exactions.

It is foolish for us longer to dream that we live in a time of competition and, proceeding upon that theory, to legislate against men forming combinations. The combinations are already formed. The monopolies are here now. The theories of competition which our fathers held must be modified to meet modern conditions. We must accept the things that are and proceed upon a course of rigorous regulation. The sooner such a policy is adopted the sooner the people will be given relief. We must not dream on of competition while monopolists gather what little remains of our natural resources and suck away what little there is left of economic independence.

So far as many industries are concerned, steel, iron, coal, foodstuffs, clothing, oil, glass, and many other necessities, American industry has passed through the era of competition and is now in the era of monopoly. We should deal with it as such. We must regulate monopoly by law. I do not doubt that our efforts at regulation will be stoutly resisted. Captains of industry and finance do not merely deal in commodities and securities—they deal in men. They control not merely our economic life—they mold society to their will and dominate public opinion and through it our political life. In regulating monopolies we will have to meet them not merely in enforcing the laws but in making the laws and even in the forums of justice in construing the laws. They will dodge and evade, and the best talent of the country will serve them, but the patriotism and good faith of the American people must be found sufficient to the task of mastering them.

LAST STAND TO SAVE EXISTING SYSTEM.

If we fail in our efforts to regulate monopolies and to secure justice for all with protection of the people from oppression, there remains but one other remedy. Regulation is our last stand for the existing economic system. We have found that our laws will not prevent the forming of combinations and the creation of monopolies. We must now give ourselves unreservedly to the task of regulating them. If we fail, there is only one thing left to which resort may be made. If we can not regulate monopolies, then we must own them.

I warn the monopolists that if they desire to save our present system they must submit to regulation, to effective and thoroughgoing regulation which will leave no opportunity for rapacity and oppression. They must submit, for if we do not succeed in regulating monopolies, the only choice remaining will be between their ownership of the public and public ownership of the monopolies. I do not favor the extension of public ownership into industry if it can be avoided, but if I must take the choice between the monopolies owning the Government and the Government owning the monopolies, I shall not hesitate to accept the latter.

Will the monopolists be good? I wonder if they have got sense enough to be good. They have the strength of giants—will they use it like giants? Perhaps they can defeat regulation, but they can not stay the tide of resentment which will follow upon its defeat.

51494—21484

NO ALLIANCES WITH EUROPEAN NATIONS.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

June 11, 1921.

The House of Representatives had under consideration a resolution declaring the state of war between the United States and Germany and Austria-Hungary at an end.

Mr. HUDDLESTON. Mr. Speaker, the instant need of the United States is for European trade. Agriculture is in a state of depression almost unprecedented. There are over four millions of unemployed industrial workers in the United States. We need a market for our surplus. Europe needs the surplus. The starving and naked millions of central Europe reach out their hands for our grain and meat and for our cotton and wool. They want our products. We want to sell to them. It is time to take steps to bring those who want to consume and those who want to sell together.

Germany has been buying in the United States all that she could find money or credit to buy. Austria and Hungary have had neither the money nor credit with which to buy. Germany has now exhausted her means, and our exports to Germany are rapidly dwindling toward the vanishing point. Last year we sold her something over \$300,000,000, and it brought prosperity to this country. But even that large trade included very little of our great staple, cotton, and now no cotton at all is being sold to central Europe. That is why the price for cotton has gone so low. In January of this year our German exports dropped to \$48,000,000, in February to \$38,000,000, in March to \$30,000,000, in April to \$19,000,000. What will it be in June? Germany has exhausted her ready cash as well as her credit. Austria and Hungary are exporting nothing and buying nothing.

What are we going to do about this situation? I will tell you what we ought to do. Credit must be extended to central Europe to buy what America wants to sell. Credit will be provided unless the statesmanship of this country has gone bankrupt. And how are we going to provide the means whereby central Europe can buy? They can not buy by money exchange, for, of course, they have exhausted their gold. Their present ability to produce is not anything life sufficient to meet the situation. Credits must be extended to the peoples of central Europe—credits by American financiers and credits by our Government to the Governments of central Europe. Arrangements must be made whereby the people of central Europe will be enabled to buy our surplus and we in turn secured in the payment of the money. It is not money that America needs. What we need is markets for our surplus, work for our idle hands.

PEACE NECESSARY FOR COMMERCE.

You can not have an extension of governmental or private credits under existing war conditions. American financiers can not afford to enter into any large plans of financing Europe so

long as we are in a state of war. It would be foolish upon their part. Our Government can do nothing to facilitate trade with central Europe or to extend any sort of governmental credit unless we are in a state of peace. Then let us have peace, and let us have done with these quibbles and legalistic arguments over technical points of constitutional law and one piffle and another.

NO EUROPEAN ENTANGLEMENTS.

If I understand anything of the present sentiments of the American people it is that they do not want to enter into any political alliances with European nations. They do not want to become further entangled with the political problems of Europe. They recognize to-day better than ever before the unfitness of the ruling classes of Europe for partnership with American democracy. They recognize that European ideals are not the ideals of America. Our people are unwilling to join with them in hard and fast partnerships. More than ever before do we appreciate Washington's farewell advice against European entanglements.

The world is in ferment—its imperative demand is for peace. The nations have reeled from the madness of war into a state which is neither peace nor war. Out of the welter of blood the world turns to narrow chauvinism and to race antagonism and class hostility. Political revolution, social disorder, and economic stresses threaten the foundations of society. Conditions in certain parts of Europe are unspeakably bad. In the delirium of the world's fever the ground shakes under our feet. Ancient institutions crumble and men no longer lean upon the faiths and ideals which our civilization has cherished. The world is in disorder; any man who does not endeavor to restore peace, confidence, and good will fails in his duty to his country and to mankind.

Now, for the second time, does the House of Representatives come to consider a resolution restoring a state of peace with Germany. Over a year ago a similar resolution was considered and passed by a decisive majority. Nothing has occurred in the meantime which would cause any Member who voted for the resolution then to vote against it now. On the other hand, much has occurred which might change the attitude of those who opposed the resolution then.

PEACE MADE FOOTBALL OF PARTY POLITICS.

Those who supported the peace resolution a year ago have seen their expectations largely realized. Their predictions have been verified. Their fears have been borne out by events. The world cries out for peace, yet America is no nearer to peace to-day than then. We have been adrift and our disturbed conditions are little nearer settled than a year ago. We have seen peace made the football of party politics. A presidential campaign has been conducted largely upon that issue. We have seen public attention diverted from domestic questions of the most vital moment. A great political campaign was carried on. A party has come into power upon an unprecedented majority, has come into power virtually without a program, all because attention was centered upon a false issue. We now witness an administration buttressed by overwhelming majorities in both branches of Congress, confronted by domestic and foreign questions of overwhelming gravity, pursuing a policy of pure opportunism, drifting here and there with every current of public opinion. All our fears are being verified.

The arguments used in opposing the peace resolution a year ago have spent their force. Not one of them remains of weight

and validity. Technical doubts of constitutionality have been resolved. Arguments of party loyalty have lost their weight. The American people have spoken upon the issue in so far as it is possible for them ever to speak upon a single issue. The answer is in behalf of those who advocated the peace resolution. So far as public opinion can be tested it has responded overwhelmingly in favor of immediate peace. Democrats who allowed their party to be made to stand as sponsor for peace by treaty only should no longer persist in such self-destructing policy.

NO ACCEPTABLE ALTERNATIVE.

In considering whether we will have peace with Germany by resolution the single alternative presented is peace through the negotiation of a separate treaty. That alternative is unacceptable because of the delay involved in negotiating and adopting a treaty, and further because the present is not an appropriate time for such negotiations. A delay of months must ensue to have peace by treaty—delay for negotiation and delay for consideration by the Senate. In the meantime our economic situation presses for prompt resumption of the fullest trade relations with the Central Powers.

We have a great surplus of raw materials on hand—cotton, wheat, foodstuffs—and our mills need the work that German demand for our manufactured products would create. Agriculture and industry imperatively demand the immediate resumption of trade with Germany, Austria, and Hungary. Those peoples have neither the goods nor money with which to pay for our products. Trade must be carried on upon a credit basis—a basis of both public and private credits such as can not be extended during a war status. Only a status of peace will permit the intimate relations and confidence which will make the grant of extensive credits possible. The Republican Party has passed an emergency tariff measure under the pretense of doing something for the farmers. It is the merest pretense and there can be no realization of benefit from it. If they really wish to do something statesmanlike for the farmers, they should see to it that credit is given to enable Germany to buy from us a million bales of cotton and a hundred million bushels of wheat. That would be of real help to the farmers. Such a transaction would perhaps add 25 cents per bushel to the price for wheat and \$20 per bale for cotton. If Members representing great agricultural constituencies want to do something for their people at home, let them vote for immediate peace with the Central Powers and an extension of credit for the purchase of produce. The people of central Europe need the produce. Humanity demands, and our own intelligent self-interest requires that we find a way to furnish it to them.

It is untimely to negotiate a treaty with Germany just now. There are too many cross currents in the world that may not now be wisely dealt with. We may well return to our prior treaties for the present and await a quieter time to decide upon our new relations with the Central Powers.

TREATY OF VERSAILLES NOT POSSIBLE AS AN ALTERNATIVE.

Let it be understood now that the acceptance of the treaty of Versailles, with its League of Nations, is not a possible alternative. The lapse of another year has brought us a better perspective and enables us to see that the Versailles treaty, either with or without its League of Nations, is utterly unacceptable. We see now clearer than before that we must not bind America as does the league and treaty to the position of chronic intermeddler in European quarrels. If we become a party to

the treaty, we are bound to see that it is lived up to and that its provisions are carried out. Such an obligation is not only unacceptable to the American people, but violates sound public policy. Few or none of its provisions are for our benefit; they relate in chief to reparations for Britain and France and to international boundaries—to European balances of power, and to a multitude of delicate questions in which we have no interest. The treaty carries the seeds of a hundred wars.

The year passed has further dispelled our illusions. Europe is not ready for democratic partnership. Europe has not yet embraced democratic ideals. We now see that while President Wilson sat at the peace table inspired by visions of a New Order, those who sat with him were animated by the old dreams of conquest and world dominion—that they still cherished the old schemes for exploitation, the old systems of balances of world power. The high hopes of America they did not comprehend. They spoke our language, but did not understand our thoughts. Out of this—the Old World game of deceit, hypocrisy, and selfishness—it was inevitable that our representative should come with defeat. He played square—he could not win in a crooked game.

WON ON THE MARNE, LOST AT VERSAILLES.

That Mr. Wilson was defeated at Versailles there can not now be doubt. He battled bravely, but the odds against him were overwhelming. Of his aims he saved merely the League of Nations; all else was lost. The amazing thing about it all is that the chief objections made by its American critics to the treaty have been founded upon the covenant of the League of Nations. The league was the best part of the treaty. Had the treaty been fair and acceptable we might well have overlooked the faults of the covenant. The covenant is, in effect, a guaranty by which America became surety for the performance of the treaty. With a treaty of justice and good faith the covenant was harmless; with a treaty speaking only of hatred and selfishness it became impossible. Apart from the covenant the treaty had few provisions acceptable to America. It spoke merely a *Panice* peace, a peace of might, of extreme retaliation, of French implacable hatred and vainglorious militarism, and of British greed for the hegemony of the world. American ideals won on the Marne, but they lost at Versailles.

From the first it is obvious that the treaty must have been to us wholly impossible. Our purposes were benevolent; those of our associates selfish. We asked nothing; they sought everything. We can not be partners with those who hold such divergent aims. We entered the war as a war against war, for shaking off the burdens of armament, for the preservation of democratic ideals, for the principles expressed by the Fourteen Points. The nations associated with us in the war had wholly different aims. They sought to destroy rivals and avenge old wrongs. They dreamed of empire and world possessions. Their hopes dealt with changes in national boundaries, possession of mineral fields, and control of arteries of trade. It was their ideals which were finally embodied in the treaty of Versailles, not ours.

For us the treaty of Versailles is dead. We will not agree to fight for the collection of reparations for Britain and France or in order that they may hold territory seized as the spoils of war. We will not fight that Italy may hold Trieste or France its possessions in Asia Minor. We will not fight that Great Britain may hold Mesopotamia and bestride Africa like a Colossus.

FOLLY OF PROTECTIVE TARIFF LEGISLATION

Who Must Pay for the War?—Millions for Railroads,
Nothing for Soldiers—A Great Secretary—Stupidity of
Protective Tariffs—Need for Markets—The Protectionist
Plunderbund.

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 13, 1921



WASHINGTON
GOVERNMENT PRINTING OFFICE

1921

59075—21657

SPEECH
OF
HON. GEORGE HUDDLESTON.

The House in Committee of the Whole House on the state of the Union had under consideration H. R. 7456, the Fordney protective tariff bill.

Mr. HUDDLESTON. Mr. Chairman, protective tariff legislation at this particular time will be a monument to governmental stupidity. If this bill had for its purpose only the raising of revenue it would at least have some sense back of it. A tariff for revenue is, of course, a form of consumption tax. It can work out in no other way than by adding to the price of things men want to buy. Such a measure is never to be adopted except under such circumstances as would justify a sales tax. According to my view it stands upon the extreme verge of justifiable taxation. It should be resorted to only when taxes on incomes, profits, and inheritances will not produce sufficient funds to maintain the Government.

If this measure was intended for no other purpose than as a means of raising revenue it would be objectionable, but would not be merely silly and vicious. We need the money. Our country is staggering under a grievous burden of war debt, and it is practically impossible to make any substantial reduction in the amount now being derived from taxation.

WHO MUST PAY FOR THE WAR?

The terrible dance of war is done, and now the fiddler must be paid. Who must pay the awful price? So far as its features as a tax measure are concerned, the clash over this bill represents the first battle of what must remain the paramount political struggle for the next quarter of a century. Who shall pay for the war? The war debt must be paid. Who is going to pay it? It can not be a matter of substantially reducing taxation. It must be a struggle over attempts to shift the burden of taxes from one class or one interest to another. Inevitably the battles which will be fought in this struggle will decide the question as to what class and what interest shall pay for the war.

The rich are dissatisfied with their income and profits taxes. The profiteers and war contractors are not willing to pay for the war out of the millions they were able to amass out of it; they are no more willing to give up one penny from their ill-gotten gains than if they had won them by honest and legitimate means. The fact that they overcharged the Government for munitions and supplies; that they overcharged the people for the necessities of life in the time of our Nation's peril is no reason in their eyes why this burden of paying for the war should be put on their shoulders. Profiteers, war contractors, big business, and big finance, all the classes of wealth and privilege will battle with all their resources to place the burden of paying for the Great War on the backs of the poor, of the multi-

tudes who toil, of the plain people of this country. That is to be the great issue for the next quarter of a century.

MILLIONS FOR THE RAILROADS, NOTHING FOR SOLDIERS.

The administration realizes that there can be no substantial reduction of taxes. The administration knows of the heavy burden of taxation which confronts us; they know our Government's serious financial condition. Witness yesterday when the President appeared before the Senate and demanded of the Congress of the United States that the soldiers' bonus bill should not be passed. His plea was one of poverty; that we are not able to pay; that revenues could not be produced to meet the outlay. And so the soldiers will get nothing.

The action of the President in striking down the bonus bill was somewhat surprising to me, because I had read in the papers of Sunday the inspired statement that the Treasury of the United States is just about to be again opened to the railroads of the country. There is no money for the soldiers, but millions for the railroads.

I have not forgotten that only a year ago a Republican Congress passed the iniquitous transportation act of 1920—the Esch-Cummins law—by which it was guaranteed by the Treasury of the United States that the railroads should earn net for the following six months the equivalent to what they had been paid during Government control. Under that guaranty the amount has already reached \$631,000,000, and only a few weeks ago the same Republican Congress that had passed the transportation act passed the Winslow bill, which anticipated the due date of payments accruing to the railroads under the guaranty clause of that law, and hastening their entrance into the strong box of the United States, opened up the door and said, "Gentlemen, walk in and get your money now." That Winslow bill as I showed at the time will work out to increase the claims of the railroads under the guaranty and cost the Government two or three hundred additional millions.

RAILROAD RATES HIGHER THAN TRAFFIC WILL BEAR.

In passing the transportation act of 1920 not merely was the Treasury of the United States raided, but the people were raided; the people, the consumers of the United States, were raided. It authorized the railroads to raise their rates so as to yield a 6 per cent return upon their alleged investment. Under that authorization railroad rates have been increased until a condition has been brought about where now the rates are higher than the traffic will bear, and business interests and private consumers alike are being strangled by that iniquitous measure.

I predicted at the time the transportation act was being passed that the increases in rates would be based upon the so-called "book value" of the railroads, with all the stealing and watered stock of crooked promoters from the very beginning of the railroad business. My prediction proved true. The railroads were permitted to increase their rates upon the basis of their book value of \$18,900,000,000. Upon that fraudulent valuation were they permitted to earn the 6 per cent return. Yet to-day you can go upon the stock exchanges of the United States and buy every dollar of stock, of bonds, and other securities of all the railroads of the United States for less than \$3,000,000,000. Accepting the market value of their stocks,

bonds, and securities as the true value of the railroads, they were given increases in rates so as to raise their net earnings to 14 per cent. Think of it! No wonder business is strangled. No wonder the people are crying out against excessive railroad charges.

The transportation act of 1920 also appropriated from the public money \$300,000,000 as a revolving fund for loans to railroads that might be in need. On top of that the further sum of \$200,000,000 was appropriated from the people's funds to pay any claims that the railroads might make against the Government on account of Government operation. These appropriations, including the guaranty, have made a charge upon the Treasury of the United States of a total of not less than thirteen hundred millions by the transportation act, all in the last year. No wonder that there is no money for the soldiers.

ANOTHER RAID ON THE TREASURY.

But this is not all. What does the President now propose? He proposes to again open the Treasury and to allow the railroads an additional \$500,000,000. Of course, the appropriation has not been made, but the whip will be cracked over the backs of our Republican friends. I ask them now, will you respond? Will you respond to the demands of the White House for unlimited hundreds of millions for the railroads and turn your backs on the men who served America in the Great War? I ask you, can you go home and look into the faces of the boys who served on the fields of France and say to them, "We had millions for the railroads but we did not have a cent for you." I challenge you to do it. I warn you from it as you value your political lives. The injustice of such conduct will shock the conscience of the Nation and its vengeance upon you and your party will be dire.

Mr. GARRITT of Tennessee. I just wanted to ask if there is included in this estimate what has been advertised so largely as the inefficiency of labor during war time.

Mr. HUDDLESTON. I can not imagine upon what theory the President will undertake to justify himself in asking that the Treasury be again opened up to the railroads. It may be possible that he will come forward with some such plea. It may even be that he believes it. But I know, as well as I can know anything, that there is no justice in any such claim, I know that labor was not inefficient. I am in touch with those who are demanding of the Interstate Commerce Commission an opportunity to prove that there was no inefficiency, that to the contrary the railroads got every dollar's worth that has been charged to them.

Mr. GARRITT of Tennessee. I wish my question to be put correctly. I agree entirely with the gentleman about that. Is it included in the estimates that labor was not efficient? In the estimates that the President says they are going to send. I know that labor was not inefficient during the war and there is no ground upon which the railroads can demand compensation upon the ground of inefficiency of labor during the war. I want to make that perfectly clear.

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efficient is to slander a great body of patriotic American citizens.

Mr. BARKLEY. Information or alleged information came to me a few days ago that a large percentage of the claim of the railroads on account of the so-called inefficiency of labor had been tentatively allowed. Does the gentleman know whether that is correct or not?

Mr. HUDDLESTON. I am reliably informed all claims based on labor inefficiency have been disallowed by the United States Railroad Administration, and that the Interstate Commerce Commission will in a few days make a similar decision.

I do not doubt that certain former railroad officials who were placed in charge during Government control deliberately tried sabotage on the railroads; tried to make Government control a failure; tried to make labor inefficient. Many instances of such nature have been brought to my attention. Every railroad employee can tell you of them. It is a matter of common knowledge that these officials did what they could to provoke waste, extravagance, and loss. Some of them were discharged for it.

SUBTERFUGE UNDER WHICH TREASURY WAS RAIDED.

When the railroads were taken under Government control on January 1, 1918, they were in wretched condition, both as to equipment and roadbed. In fact, they had about reached the end of their rope and, except for Government intervention, many of them would have been in the hands of receivers within a few weeks. They were grossly inefficient, rolling stock was dilapidated, and repairs of every kind imperatively required. To meet this condition the Government proceeded to pour out millions in repairs to roadbed and equipment. The railroads had been systematically milked for years. It was necessary to spend enormous sums to rehabilitate them. In some cases the outlay ran millions above the return that the Government was to pay for the use of the roads. The railroad control act authorized that expenses for repairs be charged against the return due by the Government. The railroads signed contracts agreeing to all this. They were glad enough to get the Government's money spent for their benefit.

The subterfuge under which it is said that the President is to make an additional \$500,000,000 available to the railroads is amazing. It is not to be done by act of Congress. It is not to be a frank and open advance of money. It is to be shamefully masked and disguised.

As I have said, the transportation act appropriated \$200,000,000 to pay any claims the railroads might have against the Government. The sum appears to have been more than sufficient to cover legitimate claims. Section 202 authorizes the President to adjust with the railroads all questions arising out of Federal control. Under the guise of performing his duties under this section, it is said that the President intends to allow the railroads to execute their bonds to the Government for the amounts expended by the Government for repairs during Government control, thereby postponing payment for 10 years. This refunding will leave as a credit to the railroads the amount due them for the use of the roads under Government control which heretofore has been balanced off as absorbed by the outlay for repairs. By this juggle an apparent debt to the railroads of several hundred millions will be created, for if the railroads'

bonds are accepted for what they owe, the Government in return will owe for the use of the roads. This amount it is proposed that the Government shall pay to the railroads out of the Treasury.

It has been freely predicted all along that the Government will never collect one cent of the millions that the railroads owe for repairs in excess of rental during Government control. Such amounts, already large, are to be enormously swelled by the hundreds of millions which will accrue to the railroads out of the proposed refunding.

The President can not carry out his scheme without the consent of Congress. An appropriation must be made. He must come to Congress. He must come first to the House of Representatives and ask that you make available to him the hundreds of millions that he proposes to turn over to the railroads. You will have your chance, my Republican friends, a chance which you can not dodge. The responsibility of what may be done will inevitably fall upon you.

THE PRESIDENT AND THE SECRETARY.

The President has a great financier and banker in his Cabinet, Hon. Andrew W. Mellon, Secretary of the Treasury, who states in his biography in the Congressional Directory that just before taking his oath of office he resigned as executive or director of the financial and industrial corporations with which he was connected. Mr. Mellon was recently director or owner of 57 great corporations, numbers of which are engaged in furnishing coal, steel, and other supplies to railroads. He was also recently a director of the Pennsylvania Railroad and of the American Locomotive Co., and, of course, is fully aware of the railroad situation and of railroad needs. Mr. Mellon is also opposed to the soldiers' bonus. His recent statement on that subject is in full harmony with the President's message. It is natural to suppose that the President has taken Mr. Mellon's advice on both matters. Mr. Mellon has recently been personally interested in the railroads and knows their needs; he was not a soldier, hence perhaps he does not realize their distress. He is one with the President in "millions for the railroads, but nothing for the soldiers."

The railroads' claim that labor was inefficient during the war has this bearing upon the subject: The outlay charged against the railroads for maintenance and repairs was, of course, for materials and labor. Prices were somewhat higher on both than before Government control began. In addition to the difference in price of labor and materials, the railroads assert that for a given number of hours of labor they did not receive an equal amount of work or benefit as during private control. They have sought to get the Government to agree that, for instance, a mechanic during 10 hours under Government control performed in work only what he was accustomed to do in, say, eight hours during private control. They sought to induce the Government to accept a formula by which, without any facts to support it, the Government's charge for labor in maintenance and repairs would be arbitrarily reduced for alleged inefficiency of labor. They did not want to make proof. They based their claim upon assertion and impudence. Of course, it was rejected by the Railroad Administration. Of

course, it will be rejected by the Interstate Commerce Commission. It is false, as can be shown by proof.

TO GIVE ONE CITIZEN AN ADVANTAGE BY LAW OVER ANOTHER CITIZEN.

I have been led away from my discussion of the tariff by my interest in the railroad situation. I am shocked and amazed by what it is said the President intends to do. After all, however, it is in keeping with the state of mind and conscience of those who advocate protective tariffs. The avowed purpose of protective tariff legislation is to enable favored producers to sell their productions for a higher price than they could get in an open market. Its avowed purpose is by law to favor one American over another American, to enable one American to get more for his goods when sold to another American. It is frankly to give by law one American an advantage over another American, to enable, through the operations of law, one citizen to sell his goods to another citizen at a higher price than he would otherwise be able to get, to deprive one citizen of the opportunity to buy what he desires in the open markets of the world so that another citizen may get a greater profit out of him. Such a proposal is, of course, indefensible from any standpoint.

The excuse which they make for giving one citizen an advantage by law over another citizen is that in some indirect way the latter will also be advantaged, that the protected citizen will in some way form a channel through which the advantage extorted from the unprotected citizen will flow back to the latter. Of course, if every calling and occupation should receive an equal benefit from protective tariff laws each citizen would remain in the same relative situation so that the laws would be vain and useless, since equality would be preserved. This disproves the indirect benefit theory, for if all were equally benefited the protected citizen would remain where he was before and there would be no advantage in protection. It is because that theory is not true, that those who seek advantages through protective tariffs are so persistent in their efforts.

THE AGE-OLD EXCUSE OF PRIVILEGE.

The excuse that by protecting the interests of a favored few the great majority will be benefited is always the plea of those who seek special advantages, of those who want exclusive benefits for themselves. "Load down my table," they say, "for as I eat I will drop the crumbs to the poor." Always this has been the argument of selfishness and of privilege. It is the age-old excuse. Autocrats have held their thrones by it. Nobles have marshaled their serfs under it. Down through the ages it has left its scars upon humanity. It was the excuse for slavery. Aristocracy has fattened upon it. Oligarchies of wealth, privilege, and monopoly hold to it for existence. Never was there an oppression, never a graft so mean that it did not hold up this excuse as its justification.

But they say large numbers of the people favor a protective tariff, large numbers are willing that manufacturers and other business men should receive the direct benefit of protection in the expectation that they may derive an indirect benefit. So it has always been. Misguided multitudes have plead, even prayed for, and frequently died to preserve institutions which grievously oppressed them. Always humble subjects have defended their oppressors, slaves have loved their masters and

risked their own lives to preserve them and their families. That this is true is a tribute to the heart and conscience of mankind, not to its judgment. The acquiescence of oppressed multitudes can never excuse the oppression.

MONUMENTAL STUPIDITY.

As I have said, protective tariff legislation at this particular time is monumental stupidity. Now, of all times, is such legislation most inopportune. The pressing need of the United States is for foreign trade, an outlet for our surplus. Just think of what it would mean to the South, for instance, if we could sell an additional million bales of cotton to Europe. Our need is for foreign trade, yet the Republican protectionists are building a wall between us and our foreign customers.

Europe owes us over \$20,000,000,000, with an annual interest charge of over \$1,200,000,000. Payment can not be made in gold. There is not that much gold in the world; besides, Europe needs what little gold she has. Europe's only chance to pay even the interest on what she owes us is by selling us her goods and produce. The stupid protectionists are trying to cut off the only way by which we can hope to collect our debts.

Europe must sell us in goods and produce over \$1,200,000,000 annually to pay interest alone. Her only chance to buy our products, our cotton and meat and steel, is by means of exchange—by selling to us sufficient of her products to pay interest on our debt and for what she buys of us. The protectionists are making it impossible for Europe to either buy or sell.

Prosperity for our workers and farmers depends upon a foreign outlet for their products. The foreigners can not pay in money; they have not the money. They can buy from us only if they are permitted to sell to us. A tariff wall such as the protectionists are building will make commercial intercourse with foreign nations impossible.

THE PROTECTIONIST PLUNDERBUND.

In its details the tariff bill under consideration is characteristic of the protectionist plunderbund. Prices are to be raised without rhyme or reason and without a care as to who may suffer. Monopolies are to be fattened and oppressive trade combinations allowed to work their will upon the public. The bill tells the old story of an aggregation of selfish interests who get together and use their collective strength to secure for themselves unjust advantages over the great voiceless multitude. It is the old story of privilege.

In a time of great distress and hardship greed is in the saddle. The situation calls for enlightenment, it is met by stupidity; it demands patriotism, the answer is selfishness; the urgent need is for regard for the general welfare, but the response is of hoggishness and rapacity.

The present administration is on the rollers. Carried into office upon a false issue and without any real program, it now descends to pure dodging and opportunism. In the meantime agriculture is bankrupt, workers are starving in every industrial community, and the general business interests of the country have gone to thunder. We need courageous statesmanship, we get dunderheaded cowardice.

RAILROAD OWNERSHIP OF GOVERNMENT.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, August 22, 1921.

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 8331) providing for the refunding of debts owing by the railroads to the Government.

Mr. HUDDLESTON. Mr. Chairman, out of the fear of Government ownership of railroads has come railroad ownership of Government. This is the result of the most thorough and successful propaganda ever carried on. All during the period of Federal control of railroads every fault of transportation, every excessive charge, every inconvenience suffered by the people, every delay, every discourtesy of an employee was played up and deliberately magnified for the purpose of discrediting Federal operation of railroads. It was a deliberate propaganda in which every reactionary, privileged, and exploiting interest in the land took part. They rallied as one man with an unbroken front of deception.

They feared that Federal operation of railroads might be made permanent and might be the entering wedge for the entrance of the Government into other fields of activity. And so the monopolists, the profiteers, the extortionists, the plunderers of the people were united in a common cause. Their parasites of the press were active and solid beyond all precedent. The conservatives—those who fear change of any kind, those who instinctively feel that old things are always and necessarily the best—of course were used by the powerful and selfish figures behind the scenes. The fears of the people were played upon constantly.

Such a state of public opinion was produced that by the autumn of 1919 the sentiment of the country was overwhelmingly in favor of the return of the railroads to private control. Much of the sentiment did not stickle over the terms. It was anything to get rid of the railroads. "Turn the railroads back," was the slogan. In this polluted atmosphere the bills which ripened into the transportation act of 1920 were brought forward.

WHOLESALE LOOTING.

So far as I know, it is not claimed by anyone that the transportation act originated in Congress. Its real origin was in a band of railroad lawyers and other lobbyists. It was shaped by their cunning hands, and what they attempted to take from the public was limited only by the ingenuity and craft of men who had sold the most cunning brains in America to selfish

interests. Of the iniquities of this law, commonly known as the Esch-Cummins Act, not even yet has half been told. New features of it are yet constantly coming to light—hidden jokers, selfish purposes artfully concealed, disguised opportunities to plunder the public are yet being disclosed almost daily.

By the transportation act the Treasury was opened to the railroads. Under section 202, \$200,000,000 was appropriated to pay their claims. Under section 209, the guaranty section, \$631,000,000 of Government gifts to the railroads are already in sight, and the amount will probably reach \$800,000,000. Under section 210 public funds to the amount of \$300,000,000 were placed at the disposition of the railroads as loans. The pending bill, which will cost the Government from \$500,000,000 to \$700,000,000, is being passed to meet a promise which it is pretended the Government made in section 207.

These vast sums come out of the public funds, out of the taxpayers' money. To them must be added the provision of the act upon which rates were increased so as to yield 6 per cent upon railroad stocks, water, fraudulent capitalization, and all, aggregating \$18,900,000,000, whereas it was recently computed that the market value of all the stocks, bonds, and other railroad securities, including complete ownership, aggregated only about \$8,000,000,000. Under the increase in rates made in the fall of 1920 it was estimated that over \$1,500,000,000 annually would be taken directly from the pockets of consumers and that this amount would in the end increase the cost of living and doing business \$6,000,000,000 annually. The human imagination fails to grasp these stupendous sums. They leave us stolid and gaping for lack of comprehension. They are appalling.

OFFSPRING OF UNHOLY CONNECTION.

The pending bill is the offspring of the unholy connection between big business and servile government. It is of full blood with the transportation act. It is merely a lesser outrage upon the public interest. It is brought forward behind the same smoke screen. It wears the same false face of concern for the public interest. It is pushed by the same propagandists, and the same parasites of the press. It makes the same false pretense of desiring to stimulate business, to promote better times, and to give employment to labor.

Every railway supply concern in the country, every producer of materials sold to railroads has written his Congressman demanding that he support this bill. They are of the same class which raise the cry of "Get the Government out of business." They want to get the Government out of the business of interfering with their profits, but to keep the Government in the business of lending them money and stimulating their enterprises. By this measure, instead of getting the Government out of business they are putting the Government into the business of peddling doubtful railroad securities around over the country. They seek to borrow the moral strength and support of the Government for the market for railroad securities.

THE NEW NOBILITY.

In the early days of civil liberty the foes of the people's rights were princes and hereditary beneficiaries of privilege. Civil liberty was being born then, and it was willing to fight. But times have changed. Hereditary nobles are no longer the chief adversaries of liberty. It is the new nobility, the lords of

commerce, industry, and finance, who now threaten liberty. Alas, it seems that we live in a degenerate age. Civil liberty is old. It fights no longer, it merely talks. There is no hope for a new Runnymede—no longer does a National Assembly or a Commons challenge the tyranny of kings. Their place is taken by a servile Congress, which hastens to do the bidding of railroads.

The new lords scorn to use humble instrumentalities. They send no base messengers. They send national rulers with their messages to the people's representatives. The lords of the railroads sent the President of the United States to tell Congress that it should pass the pending bill. The President did not hesitate to come, and he spoke manfully for his masters. The Republican steering committee of the House was galvanized into action; there was hurrying and scurrying by the faithful; and one of the great committees of the House was told in plain terms that there would be no recess of the House until it had passed this bill. How the mighty are fallen. Oh, what reply would the founders of the Republic not have given to such insolence.

REPUBLICANS MUST BEAR THE BLAME.

I do not often make partisan references upon this floor. I do so now only to remind our Republican brethren of their responsibility.

This is a Republican administration. You have the President, the Senate, and the House by a two-thirds majority. Even the Supreme Court is largely composed of members of your party. The blame for what is done must fall upon you. The responsibility is yours.

I call to the attention of Republican Members the fact that the transportation act was a Republican measure. You were then in control of both branches of Congress. The Esch-Cummins Act bore the name of two eminent Republicans, one of whom, Mr. Esch—being defeated for reelection because of his connection with that law—your President rewarded by appointing him upon the Interstate Commerce Commission.

That law was passed by a Republican Congress. In the House 175 Republicans and only 30 Democrats voted for it, with 136 Democrats against it upon its original passage. Upon the conference report on the law in its final form 211 Republicans and only 39 Democrats voted "aye," while only 23 Republicans voted "no." Of the 39 Democrats who voted for the conference report it is fair to say that 16 were defeated for reelection. In the Senate the vote was 35 Republicans for and 4 against the conference report.

Again, I call your attention to the fact that the Republican national platform of 1920 claimed the transportation act in these words:

We indorse the transportation act of 1920, enacted by the Republican Congress, as a most constructive legislative achievement.

Again, I call your attention to the passage of the Winslow bill, under which payment of the claims of the railroads under the guaranty clause of the transportation act were anticipated at a cost to the Government which will probably reach \$800,000,000. That was the action of a Republican Congress, urged on by the leaders of your party.

THE JOKER IN SECTION 207.

Ordinarily, when two parties owe each other and have a final settlement the claim of each is set off against the other and the balance, if any, paid by the party having the lesser claim. That is what should have been done at the end of Federal control of the railroads.

The Federal control act and also the standard contract subsequently made between the Government and the railroads required that the railroads be turned back at the end of Federal control in the same condition in which they were received. The Government was liable for undermaintenance and the railroads in turn were liable for any enhancement in their condition created during Federal control.

During the 26 months preceding Federal control the railroads spent only \$2,086,743,613 on upkeep chargeable to operating expenses. The owners had been milking the railroads so that during that period the largest dividends in railroad history were paid to stockholders. This was due largely to undermaintenance, lack of repairs, lack of upkeep. As a result, the railroads had broken down. Their equipment was worn out; their tracks were out of repair. They could not be used efficiently without vast expenditures to restore and repair them. So that during the 26 months of Federal control it became necessary for the Government to spend \$4,074,653,460 on upkeep and repairs. Of course, a part of the Government's expenditure was occasioned by increased cost of labor and materials, but such increases could not average for the 26 months more than 30 per cent above the preceding test period. Therefore upon an accounting the railroads owe the Government in the neighborhood of \$1,300,000,000 paid for maintenance beyond what was necessary to return the railroads in as good condition as when they were taken over.

In addition to this debt, the railroads owe the Government a large sum, perhaps \$300,000,000, for supplies on hand, advances, overpayments, and other items. In addition, the railroads owe the Government \$1,144,000,000 for expenditures for bridges, new track, cars, engines, and other items chargeable to capital account.

As a set-off against these vast sums due the Government, the railroads, with all their ingenuity, have been able to bring forward claims, the true amount of which is stated by the director general to be only \$417,141,227. The account between the railroads and the Government might be stated as follows:

For repairs and upkeep beyond condition in which roads were taken over (estimated)-----	\$1,300,000,000
For supplies, advances, and miscellaneous items (estimated)-----	300,000,000
For permanent improvements, new engines, and cars--	1,444,000,000
Total-----	3,044,000,000

DUE RAILROADS.

For claims of every kind-----	427,141,227
Leaving balance due Government-----	2,617,858,773

The plain average citizen upon the stating of this account would expect the Government to demand from the railroads the balance due, and ease the taxpayers' burden that much. But this was not done. A joker was slipped into section 207 authorizing the President if he "deemed wise" not to set off

the accounts, but to pay the railroads in cash their claims against the Government, but on the other hand to credit them for as much as 10 years for what they owe the Government.

Many Members of Congress did not realize the meaning of section 207. They could not be made to believe that such a crime against the public interest was contemplated. They voted for the law thinking that labor questions merely were involved. I denounced section 207 upon the floor of the House at the time. I pointed out the joker. Members could not be made to believe. They were obsessed by the desire of their constituents to get the railroads back into private control and were therefore ready to vote for anything to that end. And so the bill was passed.

ANOTHER LOAN OF \$500,000,000 TO THE RAILROADS.

And now the railroads are demanding of the President that he exercise the discretion given him and pay them their debt in cash and extend the time on what they owe. This is what is called "refunding." That is the deceitful expression used to mask this outrage upon the public. Stripped of its disguise, what the pending bill really does is to authorize the President to lend some \$500,000,000 of the people's money to the railroads. That is its substantial effect. Already the President is authorized to carry on the "refunding" under section 207, but he dares not to do it. He dares not face the people with an open decision to take from the depleted Treasury this vast sum as an additional loan to the railroads. It would require an appropriation by Congress. He does not dare to ask for it. The politicians have told him that the people are tired of pouring out the public funds for the benefit of railroad owners; that the people know of the vast sums which the railroads have drawn from the Treasury and that they are tired of it. The politicians know that the people are becoming wise to the looting that has been going on.

Think of it! Since the Government took control of the railroads \$1,750,000,000 has been appropriated directly, \$631,000,000 has been paid out or incurred under the guaranty section, \$300,000,000 has been loaned direct, \$200,000,000 additional will be required to settle outstanding claims, and by this bill about \$500,000,000 more is provided, making a stupendous total of \$3,381,000,000 of the people's money of which the railroads have received the benefit during the past four years. This is \$33 for each man, woman, and child in the United States. For this vast outlay we will have to show only about \$850,000,000 of railroad stocks, bonds, and other securities, much of which must be of little, if any, value.

In the world's history of governmental financing there never has been such a looting of public funds, never such a shocking example of governmental favoritism, waste, and improvidence.

And for this men toiled and sweated, bought Liberty bonds, stinted themselves, and paid taxes. How long is this to go on? How long are the railroads, like the daughters of the horse leech, to cry "Give, give."

RAILROADS WILL NEVER REPAY A CENT.

The responsibility is upon Congress. Remember the vast sums of the people's money that have already been spent on the railroads. When this refunding is done they will get

\$500,000,000 additional, and we will be left with \$850,000,000 of railroad paper to hold. Will it ever be paid, and when? Who is bold enough to attempt to answer. I have no thought that the railroads ever intend to pay a cent of it. When they have spent the new windfall they will come back for more money. Already their organs are hinting that we must subsidize the railroads. Their argument is that transportation is necessary to the public welfare, and that the public interest requires that the railroads be efficient as carriers. Upon that they base the argument that it is the duty of the Government to make the railroads efficient. They say that the railroads can not pay their own way, and therefore must, from time to time, receive gifts out of the Treasury.

Will the railroads in future be in better financial condition than they are now? If with rates as at present they can not earn living expenses, will they be able to do so in future? Mark you, the people are impatient. They will not endure the present extortionate rates much longer. There is complaint from all over the country. In a little while a movement will gain such force as to drive railroad rates down to a reasonable basis. Will the railroads be better able to pay then? Will not that be used as an excuse for not paying the Government what they owe? Will they not make the cancellation of their debts to the Government a condition for the reduction of rates?

I predict that within a short time the railroad lobbyists which infest Washington will be trying to get Congress to cancel the hundreds of millions that the railroads owe.

RAILROADS ASKING A FAVOR.

The railroad interests are asking Congress for a favor. They come with a bluster demanding it as a matter of right, but when pinned down they whine and crawl and admit that they are begging for a loan. Congress has the right to fix the terms upon which the favor is to be granted and to inquire into the merits of the applicants.

I charged that the railroads do not come with clean hands to Congress; that they have not dealt honestly and in good faith with the public. I refer to the clause of the transportation act which requires the railroads to be honestly and economically managed. The railroads have not complied with it.

Six months ago I charged upon this floor that the railroads had been guilty of reckless and fraudulent waste, extravagance, and dishonesty in subletting repairs. I cited instance after instance aggregating many millions wasted during the guaranty period and since that time in farming out to the Baldwin Locomotive Works, American Locomotive Co., and other repair and supply concerns repair work which could have been done at the companies' shops for from one-half to one-tenth what it cost in these contract shops. The railroad managers denied the charge, but a hubbub was raised and the Interstate Commerce Commission decided to investigate. The investigation has been made. My charge is proven to be true. Hundreds of millions have been wasted and the railroad officials admit it.

At the hearings on this bill I asked the committee to call as a witness the attorney for the Interstate Commerce Commission who had investigated the charges of dishonesty and waste. I offered to prove by the attorney the facts that his investigation had disclosed, which went far beyond my charges. The com-

mittee refused to call him. The railroads did not want the facts presented.

I ask Members of the House, "Will you vote this additional vast sum to the railroads when they have been convicted of dishonesty and extravagance which has cost the public many millions?"

RAILROADS HAVE FLOUTED AND VIOLATED LABOR SECTIONS.

The railroads are claiming this favor as having been promised under the transportation act. They have not lived up to the transportation act themselves—what right have they to expect others to do so? They have not lived up to the clause of the act which requires them to operate honestly and economically, and they have flouted, violated, and evaded its labor sections. Those sections were placed in the act at the instance of the railroads. The employees unanimously opposed them. The railroad lobbyists, by their influence upon Congress, forced the labor sections down the employees' throats. Now, the railroads themselves refuse to obey those sections.

Time after time the railroads have openly violated the orders of the Railroad Labor Board. Time after time has the Railroad Labor Board been forced to call a halt on their lawlessness. Take the Pennsylvania Railroad. It was ordered to have a conference with its employees. It refused to recognize the employees' organizations and tried to create a bastard organization of its own. The Railroad Labor Board denounced its action and again ordered it to confer with its employees. The railroad has not yet complied, although the time for compliance has expired, and as a result a labor disturbance which may rock the Nation is threatened upon that railroad system.

Take the case of the Erie with its shops at Hornell farmed out to a fictitious corporation officered by railroad officials for the purpose of evading the transportation act and the orders of the Railroad Labor Board. The case of the Erie shops at Marion, Ohio, is a shocking illustration of railroad dishonesty and deception. The Erie has leased its Marion shops to a dummy corporation, capitalized at \$1,000, with not enough capital to meet the payroll for a single day. The Erie's master mechanic, under the guise of an officer of the new corporation, continues in charge. Rules were posted requiring employees to submit to a physical examination by the company doctor, paying the fee from their own pockets. All of this for the purpose of evading the orders of the Railroad Labor Board.

How can railroads holding themselves above the law expect to have law-abiding employees. More than this, how can they expect to hold the sympathy and confidence of Congress? How can they expect Congress to lend them the people's money to relieve their needs?

STRANGLED BY EXTORTIONATE RAILROAD RATES.

The business and consuming public alike are being strangled by extortionate railroad rates. The instant need is for reductions. Instead of voting a subsidy to the railroads Congress should take some drastic steps to reduce transportation charges. We can have no real prosperity until this is done.

The railroads should be told in plain language to get their affairs on an honest business basis and to prepare to stand alone without being held up by Government money. They should be told that they must obey the law even if their

lobbyists did write it. They must be forced to put their rates down to at least where they were during the war so as to give other folks a chance to live.

Present railroad charges are higher than the traffic will bear. The railroads are cutting their own throats by making charges so high that they can not get business. People have quit traveling and quit shipping where it is not absolutely necessary. The farmer's produce rots in the field because he can not pay the high rates required to ship it to the desperate masses in our cities. The latter find that the farmer is getting little for his vegetables, fruit, and other produce, while, when the consumer goes to buy, prices are higher than 1918—and always the excuse is freight rates.

Prices of farm produce and great basic commodities like iron and lumber have gone down to before-the-war figures, but freight rates have gone up so that an amazing change has been worked in the proportion between transportation charges and the prices for the commodities. I have obtained figures on some of these items:

In 1918 the freight on a bale of cotton from Memphis to New Orleans was \$2.35. It is now \$2.95. A bale of cotton was then worth \$200. Its present price is \$60. In 1918 the freight on a bale of cotton was $1\frac{1}{4}$ per cent of its value. Now the freight is increased to 5 per cent of its value.

In 1918 a bushel of wheat was worth \$2.25. Freight from Kansas City to New York $16\frac{1}{2}$ cents, or 7 per cent of its value. Now the bushel of wheat is worth \$1.20; the freight to New York is $30\frac{1}{2}$ cents, or $25\frac{1}{2}$ per cent of the value of the wheat.

In 1919 a ton of pig iron was worth \$43. Its freight from Birmingham to Chicago was \$5, or $11\frac{1}{2}$ per cent of its value. At present the ton of iron is worth \$19 and the freight is \$6.27, or 33 per cent of its value.

A VAST BUSINESS PLUNDERBUND.

Business is being strangled by high freight rates. How is it possible that business men suffering as they are should remain quiet or even back up the railroads in their attempts in another raid on the Treasury?

This situation shows the unbridled power of the great interests back of the railroads. They hold America in the hollow of their hand. They mold public opinion through their parasite press and other propaganda. Business men are their jumping jacks. They dictate to courts, legislatures, and executives. They and their affiliations of finance, industry, and big business constitute a vast business plunderbund, standing solid as a Macedonian phalanx. Each interest supports the other. They present a living wall against the unorganized masses. Each asks of the other only that he shall be permitted to continue with his hand in the public pocket.

This powerful brotherhood of evil threatens America, its liberties, its social and economic systems, and its institutions. I say with all deliberation that the greatest threat to the future of our country is from the encroachments, rapacity, and oppression of organized wealth.

65197—21810

President Harding's Labor Policy

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

DECEMBER 6, 1921



WASHINGTON

1921

80090—22055



SPEECH
OF
HON. GEORGE HUDDLESTON.

President Harding's Labor Policy.

Mr. HUDDLESTON. Mr. Chairman, the speech made by the gentleman from Massachusetts [Mr. GALLIVAN] in behalf of the soldiers' bonus interested me greatly. On December 5, 1918, I introduced the first bill introduced in Congress providing for a bonus for our soldiers. On January 2, 1919, I made the first speech made in Congress in behalf of such legislation. That was the time when the bonus should have been granted. I believe that the bonus will yet be granted. I will stand with the gentleman from Massachusetts and other supporters of the bonus in all efforts looking toward that end.

But I did not rise to discuss the subject of a soldiers' bonus. I take the text for what I shall say from the address of the President, delivered an hour ago in this Chamber. The President, referring to labor organizations, said—I now quote from page 11 of his address as it has been issued :

In the case of the corporation which enjoys the privilege of limited liability of stockholders, particularly when engaged in the public service, it is recognized that the outside public has a large concern which must be protected ; and so we provide regulations, restrictions, and in some cases detailed supervision. Likewise in the case of labor organizations, we might well apply similar and equally well-defined principles of regulation and supervision in order to conserve the public's interests as affected by their operations.

Also :

Just as it is not desirable that a corporation shall be allowed to impose undue exactions upon the public, so it is not desirable that a labor organization shall be permitted to exact unfair terms of employment or subject the public to actual distresses in order to enforce its terms.

Again, on page 12 he says :

In an industrial society such as ours, the strike, the lockout, and the boycott are as much out of place and as disastrous in their results as is war or armed revolution in the domain of politics.

This is not the utterance of some loose-mouthed agitator. It is not the pronouncement of some hard-boiled president of an employers' association. It is a statement made by the President of the United States; a statement made with all deliberation, after consultation with his Cabinet, carefully thought out, and meaning every word it contains. It is a statement which expresses the labor policy of the administration which now, unhappily, is in power.

"YOU SHALL NOT QUIT YOUR JOB,"

And what does the President mean? Analyze the language in which it is framed. It needs no emphasis from me. It is as clear as words can make it that the policy of the administration does not contemplate mediation nor mere arbitration courts such as the Railroad Labor Board, but has in view labor tribunals such as the Kansas industrial courts. It contemplates a system of industrial laws applied to the whole country similar to that now in force in Kansas. It means labor courts with authority to fix wages and terms of employment and with power to enforce their decrees. It means courts with power to stand over the men who toil and say to them, "You shall not quit your job. Your occupation is charged with a public interest, and you shall continue to labor for such wages as we shall decide are fair and just. You shall not strike before having your disputes decided by us." It means a policy on the part of this administration which will take away the right that workingmen in this country have had to decide their own affairs for themselves. It means that men will be thrown into jail who dare to strike without asking the permission of a court created by Congress and composed of the appointees of the present administration.

The President's statement is not mere jumble of loose and idle words. It expresses a policy deliberately chosen, carefully thought out, and which no doubt will be enforced with vigor. It has remained for the Chief Executive of this Nation to recommend a policy toward men who labor harsh beyond comparison with any government in the world. The choice will be presented to you, Members of the House, whether you will approve this policy or whether you will adhere to the old standards.

I was shocked and amazed by the President's statement of policy. As I listened I could but wonder. I wonder if the President remembers the thirteenth amendment to the Constitution? I wonder if he knows that slavery is forbidden in America? I wonder whether he realizes for what principle all the blood was shed during the Civil War? Is he trying to turn back the stream of time and bring again into this country the day of the manacle, when serfs will be made to work at the dictates of their masters? Are we to establish in this professedly democratic country an autocracy of employers of labor?

LABOR'S ORGANIZED FIGHTING FORCES.

What the President had to say was by its terms aimed at organized labor. I hold no brief for organized labor. I am interested more in organized than unorganized labor merely because organized labor is the fighting force of all labor. It is like the army that goes to the front and into the trenches to defend the women and children back at home. Never was a battle fought by organized labor that the humblest unorganized toiler did not receive some benefit from it. Never was a sacrifice made by labor organizations that was not made on behalf of unorganized men as much as for themselves. And for the same reason is it true that never was there a labor hater who wanted to grind down men who toil, who regarded them as belonging to an inferior social order, who wanted to oppress all laborers because they were laborers, who did not fight labor organizations fully conscious that when once he had destroyed the organizations unorganized labor would fall an easy victim.

When a Nation sends its soldiers to battle they are not sent against noncombatant and peaceful citizens at home in the enemy country. The first principle of military strategy is to "seek out and destroy the armed forces of the enemy." In the World War we sent our armies to do battle with the German armies, with the organized forces fighting for Germany. We did not concern ourselves so much with what happened in the homes of Germany, because we realized that once we destroyed the German armies the peaceable inhabitants at home would submit.

And so every employer who wants cheap labor, who wants to oppress labor, who wants to make an unjust profit out of labor—

every man who believes in differences in social orders, every man who belongs to the employer class and recognizes his duty to his class and strength of the solidarity of his class takes off his coat and goes down to do battle with organized labor. And this instance of the President's attack by indirect methods upon the efficiency of labor organizations is, in my judgment, an apt illustration of this principle of strategy.

HITTING THE WORKER WHEN HE IS DOWN

Of all times when a President might have addressed himself to measures intended to intimidate laboring men, this, it seems to me, is most inopportune. Oh, I have the ordinary American fighting instinct. We all love a good fight. We like to see a man fight, whether he be an employer or a worker. A real good fighter always commands our admiration. But every man who is himself brave loves a fair fight. We want to see the fighters on equal terms. We want to see both sides have an equal chance. We want to see the fight come at a time when both can stand on an equal footing.

As between workers and employers, fights can never be altogether fair fights. Each side in a labor fight has different things at stake. With an employer it is a matter, perhaps, of some more bank shares or a finer home, perhaps a marble palace instead of one of brick. It is merely a matter of another limousine or another cluster of jewels for his wife and another aigrette in her bonnet. It is merely a matter of profits from his plant. Oh, it is not such an awfully important matter with the employer. But with the man who toils bread is the stake.

The struggle between the employer and employee can never be a fair fight. One has in the scale only a question of profits. The other has the means of existence for his wife and children at stake. To one the result means one thing; to the other it means shelter and food and clothes and medicine for his family; it means the color in his child's cheek and, perhaps, whether it shall live or die. Anybody who thinks that a wage earner likes to strike is a fool. A strike always costs him more than it does the employer. Strikes are merely a form of warfare, and a strike, like other war, is hell, and its chiefest victims are the humble workers at the front.

Such a fight can never be a fair fight. Yet when conditions are even fairly equal, when there is a measure of prosperity in the country, when there is some opportunity for employment, when it may be said that there is a chance for the worker to win, then you may have a certain admiration for the hard-handed employer who goes down into a fight with his employee.

Oh, we all love a fair fight. But what about hitting a man when he is down? What about hitting the worker when his hands are tied? What about fighting a cripple or striking a man sick in bed? What about hitting the workers when they are walking the streets ragged and starving? And how about the workingman's wife and children, for whom he is responsible and who are dependent upon him?

Of all the times when the President's utterance might have been made, this is the most inopportune. Some 4,000,000 of men or more are out of employment. Many of them have been out of work for months. Many of them have exhausted their little savings. Many of them have tramped and tramped until their shoes are gone looking for work. Their clothes have passed from the state of respectability. The pinch of hunger is being felt in a million American homes. Millions of men, women, and children are destitute. They face direst need. Millions are dependent upon public charity. Only a few nights ago more than a hundred homeless men slept upon the cold, stone floors of the city hall in my home city.

Of all the times when men would strike, this is not the time. Of all the times when the restraints of law might be invoked to prevent strikes, this is not the time. Of those who have work millions are being sorely oppressed—millions are receiving a wage below any standard of decent living—they exist on hopes of better times. No doubt many strikes would occur except for the depressed conditions. The workers are submitting to oppression, even to slow starvation. They realize that they are being imposed upon. They submit because the choice is submission or quick starvation.

Many of the men who remain at work are not getting enough wages to live on. The United States Steel Corporation, which is the largest employer of labor in the country, has in many, if not in all cases cut wages one-half. And that is the attitude of

many harsh employers. The cost of living remains up. The workers are in a great strain, even those who have work.

THE RAILROAD LABOR SITUATION.

There is much that I would like to say about the situation of the railroad employees, but I have time merely to deal with it briefly. Against their unanimous opposition the labor sections of the transportation act were forced into that act. It was done at the behest of the railroad managers. And now we find that the managers are themselves flouting and evading the law and treating it with contempt. What is the result? They get away with little criticism. Due to the subserviency of a parasite press, knowledge of their misconduct is withheld from the public. The country does not know how flagrantly the railroad managers are violating the labor sections of the transportation act.

The country is flooded with false pro-railroad propaganda. In an effort to distract attention from the fact that the railroads are strangling the country through extortionate rates, a lot of deliberate lying is being done about the wages of railroad employees. The excuse is made that railroad wages are so excessively high that rates can not be reduced.

The present railroad rates were fixed after the increase in wages was granted in July, 1920, and were intended to cover by threefold all increases in wages. By the reduction in wages made in July, 1921, some \$400,000,000 was lopped from railroad expenses. The railroads have made some minor rate reductions since that time to suit their own fancy, but there has been no general reduction, no reduction which anything near equals the cuts in wages.

The railroads also have had enough influence to get the Railroad Labor Board to make many changes in working rules and conditions, which have resulted in further reductions in wages, estimated at some \$300,000,000. Still there is no reduction of rates except in a fanciful way as suited the whim of the carriers.

The relative wages of railroad employees have been grossly exaggerated. They are paid no such wages as the public has been led to believe. In certain classes, in which men have

always worked for less than a living wage, increases have been given, but so far as the great bulk of railroad wages is concerned the employees are now working for lower wages, compared with what the money will buy in the way of necessities of life, than they received in 1915. I can not take time to deal with this subject fully. I merely wish to cite for illustration the wages of certain classes of transportation employees. It is estimated by the Bureau of Labor Statistics that in May, 1921, the cost of living to the average wage earner was 73 per cent above 1915; that is, what \$1 would buy in 1915 the consumer must pay \$1.73 for. Figuring from this basis I find the results to be:

	Average annual compensation in 1915.	173 per cent of 1915 average.	Present compensation.	Percent-ages of decreases July 1, 1921.
Yard enginemen.....	\$1,528	\$2,643	\$2,255	8.9
Yard firemen.....	916	1,685	1,684	11.3
Yard conductors.....	1,358	2,349	2,138	9.2
Yard brakemen.....	1,169	2,022	1,833	9.8
Road freight enginemen.....	1,846	3,194	2,625	8.3
Road freight firemen.....	1,136	1,965	1,837	10.8
Road freight conductors.....	1,589	2,749	2,353	10.0
Road freight brakemen.....	1,036	1,792	1,730	12.5
Passenger enginemen.....	2,141	3,704	3,042	7.4
Passenger firemen.....	1,287	2,227	2,223	0.6
Passenger conductors.....	1,850	3,201	2,771	8.6
Passenger brakemen.....	1,026	1,775	1,869	12.0

These figures show that in all cases of transportation employees, with the exception of yard firemen and passenger brakemen, they are really getting lower wages now than in 1915. This means, of course, that their scale of living has been lowered. It should be remembered also that the increases of July, 1920, came after four years of high prices during which railroad wages had remained upon the 1915 basis.

RAILROAD EMPLOYEES EXASPERATED.

Railroad employees are in a state of extreme exasperation. It was not altogether the proposed further reduction in wages that caused the recent threat of a railroad strike. It was the feeling upon the part of the employees that the carriers were not being fair with them, that they were not getting a square deal, that the laws for their protection were being evaded, flouted, and treated with contempt.

I want to cite a few instances which have contributed to the exasperation of railroad employees. The Atlanta, Birmingham & Atlantic Railroad has a terminal in my district. Its manager proposed about a year ago to ignore the transportation act and to make a horizontal cut in wages. The cut was posted on the boards. The employees thereupon appealed to the Railroad Labor Board, which promptly nullified the proposed cut and directed the manager to confer with the employees on the proposal to reduce wages. The manager refused to do this, but conspired with a creditor whose debt was not yet due and caused a collusive suit for receivership to be filed in a Federal court. The judge promptly appointed the manager as receiver, and upon his own request, without notice to the employees, authorized him to put in the same cut in wages which the Labor Board had ordered him to withdraw. The employees thereupon ceased work and entered upon a strike, which continues to this time. To their appeal the Labor Board answered that, since the Federal court had appointed a receiver, the Labor Board had lost jurisdiction. A similar case is that of the Missouri & North Arkansas Railroad.

I cite the case of the Erie, with its shops at Hornell and Marion, leased to dummy corporations organized by the railroad and officered by its former officials. The railroad made contracts with these dummies for repairs, and so forth, leaving them free to deal with their labor without the intervention of the Railroad Labor Board. The labor practices of these dummies have been outrageous and oppressive, yet there has been no relief for the employees.

Take the case of the Pennsylvania. Ordered by the Railroad Labor Board to negotiate with its shop employees through their organizations, the Pennsylvania created bastard organizations under its own domination and pretended that they were the employees' unions. The labor board struck down this fraud and again ordered the railroad to confer with the regular organizations of its employees as to its proposed reductions in wages. The railroad refused to do this and asked the labor board to reconsider its order; this was done, and the board adhered to its previous decisions and again ordered the rail-

road to confer with the organizations. Months have passed, and yet the railroad refuses to confer, yet the railroad refuses to obey the labor sections of the transportation act, which it was chiefly instrumental in forcing into that law.

These are but a few of many instances in which the railroads have behaved toward their employees as autocrats, as creatures above and beyond the law. Their posture is that they cause legislative bodies to make laws and that they are not required to obey the laws when made. The situation is enough to try the temper of the most patient employee. Small wonder that they are exasperated.

SHAKING FAITH IN AMERICAN INSTITUTIONS:

Oh, as I heard the President's speech I was amazed. I wondered what he was driving at. I imagine that the gentleman from New York [Mr. LONDON], the sole Representative of the Socialist Party in the House, must have felt a certain kind of satiric pleasure upon hearing what the President had to say. Of course, he was pained by the proposal. Of course, knowing the distressing conditions among the working people of this country, his sympathetic heart was troubled over what the President's program involves. But viewing it from a partisan slant he must have smiled.

That statement upon the part of the President means a million Socialist votes in the next election. There is no need for agitators to stand on the soap boxes. There is no function for antifree-speech laws. Such utterances as that of the President will do more to stir up political discontent in the people who work in this country than the mouthings of all the agitators who ever undertook to speak for radicalism. The President condemned the propaganda of the Russian soviet government. He spoke of it with contempt. Let me say to him that he has done more in those few sentences to destroy the faith of the people in American institutions than all that Lenin and Trotsky could do in a hundred years.

Be it noted that the President proposes to deal merely with a symptom, to wit, the strike, and not with the cause for the strike. That does not appear to concern him. When the fight

comes on between employer and worker, then he proposes to intervene. Armies are to be organized on each side. They are to arm themselves, and when they go down to battle then the President would intervene. His program does not contemplate amelioration. It does not contemplate any swing forward. He has learned nothing from the past. He proposes to hold on to the old system and to go the old way, with the old struggle between the employer and the man who works for him, each of them resorting to the extremes of individualism; then, when the worker at last aroused to desperation, unable to endure his condition any longer, rises up and undertakes to avail himself of the strength of his organization, this beneficent President would intervene and strike him down.

NO PARALLEL BETWEEN LABOR UNIONS AND CORPORATIONS.

The President refers to all corporations, and the uninformed might be misled into believing that all corporations are regulated and under Government control. Of course, nothing of the kind is true. Only a comparatively few corporations operating public utilities are under Federal control. We take, it is true, a certain concern with unfair trade practices; we have forbidden them, after a fashion. We have never asserted such measure of control of any corporation as the President undertakes to apply to the men who work.

And, further, there is an essential difference between the man who works and the corporation for which he works. There is no parallel between them. The corporation enjoys public privileges. It is an arm of the Government. It is created upon the theory that it is to perform a public function. It is clothed with certain powers which are inherent in government. It enjoys benefits, privileges, and immunities; the worker enjoys none. He is a plain citizen left to his own devices. No Government takes care of him. He has no advantages, no privileges, no benefits. And yet the President would apply to these humble men, many of them inexperienced and uneducated—he would apply to them the same harsh laws applicable to the meanest and most oppressive of the corporations.

I quite agree that public privileges and advantages carry responsibilities with them. And to turn that thought around, if the public recognizes no duty or responsibility to the individual, the individual owes no duty to the public. I ask that you ponder that. If we do not concern ourselves about the wage and condition of the worker, he is not under the slightest obligation to concern himself about our convenience and interest.

If his work is a matter of public concern, let the public meet its responsibility to the worker. Let it secure to him fair wages and permanence of employment. Let it secure to him proper living conditions. This, at least, the public must do in order for the worker to owe the public any duty to continue to work. How unfair it is, how unreasonable, that a man, merely because he works at a certain calling, owes the public some duty in connection with that calling although the public ignores its duty to protect him in following it. If the public gives him nothing why should he give the public anything?

To no activity of the citizen is the public a total stranger. The general public is concerned with all kinds of business and with everything that men do, with every activity of their business and their private lives. All have an effect upon the public; there is merely a difference in degree among them. And there are times when it is proper that the public respond and protect itself and its interests; but the public has no moral right to respond for its own protection unless it also responds to its responsibility and gives the individual the advantage and the protection to which he is entitled. The thing is not one-sided. It is a door that swings both ways.

WHY THE WORKERS OBJECT TO LABOR COURTS.

People ask why it is that labor is unwilling to leave it to courts to fix wages and conditions and other matters with which it is concerned? I will tell you frankly. It is because labor feels that in a controversy between the employer and the wage earner he can not get a square deal from the courts. That is why it is.

Men who work are not fools. They realize that men who compose Federal tribunals are nearly always appointed for

political, social, and business reasons. The laboring men know that those who are so chosen must have attained prominence in the community, a certain prestige, that they must be men of influence and have influential friends. It necessarily follows that they are affiliated with and belong to the higher social classes, that their interests are the interests of the employers or that they are affiliated with the employer class, if not in interest then as a matter of sentiment; and that as a rule their social lines are tied to those of the employer class. Why, then, should labor be willing to trust its all to the discretion of such men? It is impossible that any such court should be wholly impartial. On the one side is all of wealth, prestige, influence, and social position; on the other the poor, the humble, the obscure, the inexperienced.

But let us proceed to another point. How can courts decide what is a fair wage for a man who works? Answer me that, some philosopher. What rules are they to follow, what precedents have they, what principles shall govern them? Who is wise and just enough to say that men should be discriminated among according to their occupations and that one occupation should give a larger return than another? Who can say that the producers who do the hard, dirty work should receive less than the professional and parasitic classes who follow the more pleasant occupations? Is it possible for a court to say Smith, a blacksmith, should receive \$5 per day, and Jones, an engineer, \$10 per day? What is there about any occupation that determines in advance what the return shall be to him who may follow it? It is impossible for a court, even if it were fair as Solomon, to hold the scales and justly determine what a man's wages should be, what the living conditions of his wife and children should be, what clothes they should wear, and what bread they should feed on. It can not be done, and any attempt to do it is the height of folly. No just legal system rules over men and elects one to wealth and ease and another to poverty and suffering. The question is whether you will adhere to the present system of giving labor a chance to fight its own battles in

the strength of its organizations or hold labor back and let the employer work his will.

Mr. BANKHEAD. The President's message says, speaking about the settlement of these matters, that it would involve the necessity of developing a thoroughgoing code and practice in dealing with such affairs. Does the gentleman construe that as I do, as inviting legislation to put these things into effect?

Mr. HUDDLESTON. Of course, it would be impossible to give it any other meaning.

Mr. LONDON. The gentleman described with a great deal of eloquence what passed through my mind when I listened to the President's message. It occurred to me that that was the beginning of the socialism of plutocracy as distinguished from the socialism of democracy. Socialism of plutocracy consists of a little group having control of the Government and the power to tell the great masses of people how they shall live, what they shall eat, and what they shall think.

Mr. HUDDLESTON. I am obliged to the gentleman from New York. The program of the President carried to its logical conclusion would make of every laboring man or producer a slave to a society composed largely of idlers and parasites.

WILL ROCK NATION'S FOUNDATIONS.

Now, I must conclude. As I have said, I am not a member of any labor organization. I never followed any occupation which made me eligible to belong to one. But I am interested in labor organizations because they are the fighting forces for all men who toil. Without them in this era of acute industrialism the workers would be driven into practical serfdom. I am interested in the men who work because they compose the bulk of the common masses. I believe that the future of our country, and, indeed, of our civilization, lies in the welfare of the common man of this country, and therefore I want to see him put on higher ground and his life made brighter and happier so that his development and his march of progress may be sure. I am going to fight for that with every ounce of strength that in me lies.

I think I know something about the sentiments of the laboring men of America. I think I know what they are thinking about. I want to say to those who do not realize it that men who work for wages are exasperated to-day to a degree that they never knew before. There is discontent among them, but the discontent they feel is economic and industrial discontent. It is due to their sufferings, to the want of food, to low wages, and the oppression of their masters. That industrial and economic discontent may be converted into political discontent by the use of unjust political measures in dealing with it. By the use of such measures the Government will assume the burden which rightfully belongs to the employer and the exasperation which the worker feels will be discharged upon the Government.

The legislation which the President proposes will not be cheerfully accepted. It will not be easy to enforce. Men will resent it; they will resist it even as they are resisting the Kansas industrial act, where men go to jail rather than submit. As men have gone to jail in resenting injustice so will others go to jail. Instead of a program for industrial peace the President has proposed a program for industrial strife. He will cause strikes instead of preventing them. I warn the President and the big business interests back of him and the great employers for whom he was the spokesman here to-day that they have proposed a program which to carry out will rock the foundations of this Nation. [Applause.]

80090—22055



INEFFICIENCY OF VETERANS' BUREAU.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, January 5, 1922.

Mr. HUDDLESTON. Mr. Chairman, I desire to pay my respects to the Veterans' Bureau "as is and where is."

Everybody familiar with the subject knows that Congress has been anxious to deal liberally with our disabled soldiers. I do not believe that there has been a Member of the House who has not supported with all his soul the measures designed for the relief of those disabled in the World War.

But Congress has had great difficulty with its instrumentalities for the administration of soldier relief. Of course, at the beginning of this work in the War Risk Bureau there was great confusion. The entire forces and machinery had to be organized, and there was necessarily many faults and deficiencies. But that was over four years ago. Congress has been patient. Congress has from time to time passed laws to remedy the causes of inefficiency upon the part of these instrumentalities. We have tried to straighten out the kinks. But always the sympathetic efforts of Congress have been thwarted by the inertia and ineptitude of bureaucrats, by the inefficiency of officers chosen to pass on to the disabled men the relief voted by Congress.

Constantly we have been promised that there would be a change for the better. Constantly we have been told by those responsible that the errors, delays, and mismanagement of which just complaint was made would not be allowed to continue. With each change in the administration of the bureau created to administer the soldier relief, with each reorganization, with each step in its development, we have been promised that our troubles should be at an end. But the end of inefficiency has never come; the end has not yet come. I think the country should know, that the disabled soldiers should know, what Members of Congress are being brought to realize, that the administration of soldier relief is in many respects proceeding from bad to worse.

The time for promises and excuses is past; valid reasons for inefficiency can no longer be presented. Yet evidence is daily accumulating that instead of conditions with the bureau getting better they are becoming worse. Patience has ceased to be a virtue. We have the right to be exasperated.

RANK STUPIDITY.

Instances of lack of sympathy, of inefficiency—nay, more, of the rankest kind of stupidity—upon the part of the bureau come to my attention every day. I do not know whether I handle more soldiers' claims for compensation and training than other Members. All of us handle them for our constituents. There are thousands of these cases in my files. My office receives an average of some 50 letters a day about such claims and writes more. I give these matters my personal attention. Of course, Members of Congress are not the agents of the claimants, are not their attorneys; we are not selfishly interested in whether their claims are allowed or disallowed. But I feel it my duty as the representative of the disabled men who are my constituents to see that their claims are fairly presented, are acted upon with a fair degree of expedition, and that the claimants get a certain measure of justice. I also feel that as an American citizen it is my duty to those who offered their lives for their country to give them such proper help as I can. It is touching to receive, as I sometimes do, a letter, couched in awkward language and written in a spirit of humility, thanking me for what I have done for some poor fellow who lost his health in the service of his country. I always waive aside any thought that I am entitled to thanks for anything that I may do for these men. Always the thought comes, "If you, my boy, could make the sacrifice that you have made; if you could leave home and loved ones and suffer the discomforts of a soldier's service, with your life at stake, if you could do that for your country, surely any Congressman can well afford, is honored even, to try to do something to make good to you the loss which you sustained."

Perhaps I may handle more of these claims than other Members. Some of you have very efficient clerks that are able to relieve you of much of the work. Problems connected with them are presented to us all. These things come before me daily. I want to say to you, my friends, that I have reached the point of extreme exasperation with the methods of the Veterans' Bureau.

I do not want to make any caviling criticism. I do not call in question mere matters of judgment nor criticize where there is room for difference of opinion. Then the responsibility is with the bureau and not upon me. There are many heart-breaking delays, many inexcusable rejections, many awards of mere pittance where substantial sums should be given, many stubborn refusals to consider the statements of noninterested witnesses. But with these matters it is not my present purpose to deal. But for inefficiency, for evasion, for stupidity and indifference that reaches almost to the verge of actual perversity or malice, I feel that I must take some concern. I feel it my duty to protest, that I must not longer remain silent. It is upon Congress to take some action which will insure that these things will appear in a diminishing quantity.

ACTION WANTED, NOT WORDS.

When the present Director of the Veterans' Bureau took office I read in the press a statement from him that "the latchstring would hang outside his door." I was glad to read that, and I know the hearts of many of the boys who had been waiting and longing throughout the months for a fair decision upon their

claims were gladdened to read it. But, my friends, I am not able to see that the director's fine profession has been translated into even the minimum of action. Interviews laudatory of the bureau, and obviously emanating from it, appear frequently in the press. The director or some one else down at the bureau evidently has much talent in the press-agent line. But for action, for decision, for doing justice to these boys, for making proper awards upon their claims, I look in vain; it is not there. Almost every day some bureau decision impresses me with the thought that many claimants are receiving payments of compensation to which they have small right, and on the other hand that a large number of claims which are full of merit are being denied.

I do not like mere general scolding. It is not my habit to criticize in general terms. I like to come down to brass tacks. I want to show the House by specific instances the methods that are being used by the bureau. I do not criticize idly and for no purpose. There is no use for me to write a letter to the director asking him to correct abuses. Nothing would result. From this floor is one place that the people of America can speak to their officials; they may speak through their Representatives, and something is usually done to correct evils complained of here. So that for the purpose of having inefficiency remedied, I am speaking here now. I want the director and his subordinates to read in the RECORD what I am saying. I want them to give heed to it. I want them to change their methods. I want our disabled soldiers to derive a benefit from changed conditions. I want the responsible officials to look up the cases which I shall now call to your attention and answer what I am saying if they can.

These are not selected cases. They came before me in a single day. They are mere illustrations from a day's run that came to my desk on yesterday. They are just sample cases, all coming in a day's work. Let us see from them what are the methods of the bureau.

THE CASE OF EARL E. BISHOP.

Here is the case of Earl E. Bishop, C-11488. I wrote to the bureau and made inquiries about this claim. I wrote this:

If the same has been rejected inform me whether it was upon a finding that claimant's disability arose prior to his entering the Army and was not aggravated by his service.

I got back the reply that the claim had been rejected—because it did not appear from the medical evidence on file that Mr. Bishop had a compensable disability that was either incurred in the service or aggravated thereby.

As will be observed, my question was not answered. There was no answer that gave me any information worth anything. I was unable to determine from that reply whether that boy was disabled when he was enlisted, and a notation made of his disability under the law, so that he was not compensable, or whether his disability originated after his service. I could not even tell from the letter whether they found that he was disabled to a degree less than 10 per cent. There was not a single fact stated in the reply on which I could advise this man so as to have him furnish further evidence on which his claim would be allowed.

It was merely a blind decision; a "judgment for the defendant," as though entered by a stupid and prejudiced justice of the peace who would not give his reasons for fear they were wrong. I then wrote again and asked—

Whether said claim is rejected upon a finding that claimant is not 10 per cent disabled, or upon a finding that his disability existed prior to his service, or arose after his discharge. If upon the finding that his disability existed prior to the service, kindly inform me as to whether notation thereof was made at the time he enlisted.

I was trying to hem in the bureau so as to find out something about the facts in the case. What answer did I get? It was this:

The military records of this claimant show that he was discharged from the draft for being "practically blind in right eye, very poor vision left eye. Existed prior to service."

Mark you, now, they were saying that he had been "discharged from the draft," trying to make out that he had never been enrolled as a soldier at all. The fact is that he enlisted September 19, 1917, and was discharged for disability March 2, 1918. I asked in my letter whether his disability was noted at the time he enlisted. I got no answer. I do not yet know what the facts are. If he had the disability at the time he enlisted and it was not noted, that boy under the plain letter of the law is entitled to compensation. But what I object to so much in his case is not that he was refused compensation, for that might have been an honest mistake, but that he was refused information as to why his claim was disallowed; that I, his Congressman, was not permitted to know the findings upon which the High Mightiness of this bureau based its decision.

CASE OF LIEUT. JOHN D. BARCROFT.

The Bishop case is merely a type. By the same mail I got the same kind of a reply in the case of Lieut. John D. Barcroft, C-817289. Here is the bureau's statement:

This claim was rejected on October 10 for the reason that the evidence failed to show his disability to be of service origin.

Did his disability exist before he enlisted? Did it originate after he came out of the service? Did it originate in the line of duty as the result of his own misconduct? Why was this claim disallowed? I do not know. I am unable to find out from the bureau. Yet the boy says he was gassed and spent three months in a base hospital; he served his country 38 months and has been disabled ever since he was discharged.

Mr. KINCHELOE. From the fact that the gentleman and the other Members have received so many letters of that kind, does he not think it probable that it is really a form letter?

Mr. HUDDLESTON. It was probably written by a clerk. It seems we do not need expert officials or medical advisers in the bureau, but merely clerks who have sense enough to pick out a form and send it to a Congressman who is making an inquiry. Is it possible that our time has so little value that it may be frittered away by subordinate officials with evasions and subterfuges? As I say, such action reaches beyond the realm of pure stupidity. It comes close to malice and perversity.

Mr. CROWTHER. Does the gentleman realize that under this decentralization plan we are receiving now almost entirely form letters, especially since the records have been sent to New

York and elsewhere, and that when a Congressman complains there is an exchange of form letters between Mr. Forbes and Mr. Updike?

Mr. HUDDLESTON. That statement applies to certain cases. It does not apply to these cases that I have mentioned here.

The bureau is not responsible for the so-called decentralization plan. That plan was a mistake. I need not argue that fact to those who are familiar with its workings. It is a failure. It does not produce results. But Congress did that. We took unbaked advice; but ours is the responsibility. The decentralization plan was adopted upon the urging of a committee of the American Legion. Instead of decentralization we have merely created an "Office of Circumlocution." The only good result of that plan, so far as I have been able to see, is to provide jobs for worthy ex-officers who are also true-blue Republicans.

There were perhaps some half-dozen other cases of similar nature that came to me at the same time. I will refer to only one more of them. I made inquiry in the case of Victor Perry, C-453251. Back came the bureau's characteristic reply:

The record in this case discloses the fact that all of the evidence submitted has been carefully considered and the opinion rendered that the claimant's disabilities were not due to or incident to service. Therefore no compensation is payable.

ONLY A TOTAL OF \$8 FOR PERMANENT PLEURISY.

Dr. Wood Price, C-827117, served as a lieutenant in the Dental Corps. He had pneumonia, resulting in chronic pleurisy, which his physicians tell him is probably permanent—not that the disease will be fatal, but that it will trouble him more or less as long as he lives. Proofs were filed and examination held and the munificent award of \$8 made to Dr. Price; \$8 for a single month, mind you, not \$8 monthly; but a single \$8 for the month of November, 1921. Why beginning November 1 and why ending November 30? "Deponent saith not"; I have been unable to learn. In the interest of curiosity, if not in behalf of justice to a disabled soldier who served his country worthily, I would really like to know.

Alfred E. Cody, C-165536-N. His training was discontinued and he was placed on the compensation roll as total temporary from March 1, 1921, to May 26. The bureau claims to have paid him in full for this period. Cody claims that he has not been paid. I wrote the bureau:

Have claimant's award audited and inform me as to date of compensation award, amount thereof, any changes in same, and payments which have been made claimant.

The bureau replied:

The records of this bureau show that claimant entered vocational training on November 9, 1920, and was discharged therefrom on February 28, 1921. Upon his discontinuing vocational training on the latter date an amended award was approved in his favor which entitled him to compensation in the amount of \$80 per month under a temporary total rating, effective from March 1, 1921, which amount was continued to May 26, 1921, the day preceding the date that claimant resumed vocational training.

I did not get the information asked for. My questions were evaded. What checks have they sent claimant? Has he really been paid in full? I do not yet know, although I have repeated my inquiry in the same terms.

THE CASE OF DU RANT L. BEVILL, C-473733, IS ONE OF THE MOST EXASPERATING CASE.

The case of DuRant L. Bevill, C-473733, is one of the most exasperating that has come to my notice. The bureau started out November, 1920, by rejecting Bevill's claim for compensation on the ground "Disability not due to service." Of course, it was only a printed letter with a filled-in blank that Bevill got. That seems the only kind of letter that the disabled boys are considered by the officials of the bureau to be entitled to receive. Claimant wrote on November 22, 1920, asking the bureau what further evidence was required. No answer from the bureau; of course, no answer. Again on March 31, 1921, claimant made further inquiries—again no answer; and finally, in October, he asked me to help him with his claim. The bureau's reply to my inquiry was:

It has been determined from a review of the evidence contained in the record of the case that this claimant's disability, attributable to his service, is less than 10 per cent, and therefore not compensable under the war risk insurance act as amended.

I got no information of the least value. I inquired again. The Bureau replied:

You are advised that all evidence on file in the case has been carefully reviewed, and it is found that your constituent is not suffering from any disability of a degree of 10 per cent or greater resulting from his military service.

I filed additional proof showing claimant's disability to be substantially greater than 10 per cent, and succeeded in getting him reexamined. After repeated inquiries I received the bureau's letter, dated December 17, 40 days after the examination, from which I quote:

You are advised that this report has come to hand, and the evidence contained therein as to claimant's disability has been carefully reviewed in connection with the other evidence contained in the records of the case, and it has been found insufficient to show service connection of his disability.

The bureau had now shifted its rejection to the ground that service connection has not been shown. Yet claimant was discharged from the service for the same disease with which he is now suffering. I pushed the bureau further on this point, and was informed that his disability existed prior to enlistment. I have now asked whether his disability was noted at the time he enlisted. Thus, by pushing the bureau from point to point and exercising extraordinary patience and industry, perhaps after months of effort I may get the information which should have been given in the bureau's first letter.

COMPENSATION REDUCED WITHOUT EXAMINATION.

Now, there is another practice that is even more serious in its results than the methods I have pointed out. It appears that the bureau has now adopted the practice of reducing the compensation of disabled men without examinations. Did you know that, gentlemen? I am going to cite some instances which show such a practice. I have here the papers in the case of Simon Joseph Williams, C-61817.

Mr. GARRETT of Tennessee. Mr. Chairman, if the gentleman will permit, I will say that I have a case of that kind that came to me just this morning.

Mr. HUDDLESTON. I have personal knowledge about this case. This boy was discharged from the Navy because he had become demented. Shortly after his discharge he was found to have active tuberculosis. Since May, 1921, he has been at

the tuberculosis hospital at Johnson City, Tenn., as a bureau patient. I notified the bureau by letter on June 18, 1921, that he was there. My letter was acknowledged six weeks later. He has been there ever since. He has a dependent mother, a widow. He had an award of \$90 per month. On November 19 the bureau wrote me:

A recent examination has been had and a report furnished the medical division of this bureau. Based upon this medical examination, compensation has been reduced from the rating of temporary total to temporary partial, 55 per cent, which, entitles the claimant to compensation in the amount of \$49.50.

I was amazed to learn that this man's compensation was to be reduced. I knew that he was still in the hospital at Johnson City and demented. I knew he had had tuberculosis for many months, so I took the matter up again. I wrote the bureau that I was informed that this boy was hospitalized, and I asked them to inform me if that information was correct; I asked also to be informed as to the basis of the proposed reduction. I got back this reply:

The files of the bureau disclose Mr. Williams is receiving compensation in the sum of \$49.50 a month, according to a disability rating of 55 per cent temporary partial.

I wrote again to the bureau:

Kindly reply to the question asked in my letter of 5th instant, which is whether the proposed reduction in claimant's award is based on a physical examination. I should like to know the occasion for the proposed reduction.

The bureau replied:

You are advised that the rating of 50 per cent temporary partial is based upon the medical examination made on September 29 by Dr. G. C. Freeman in United States Public Health Hospital, No. 45, Biltmore, N. C.

The bureau had no record of the claimant having been admitted to the national sanitarium at Johnston City, Tenn.

The facts are that this man had never been at Biltmore, but had been at Johnson City all the time. Dr. Freeman had probably never been within 100 miles of Johnson City.

The examination was alleged to have been held in September. The reduction was to become effective in January. I ask you how it is possible to make a fair decision upon a claim, effective three months hence, based on what a man's condition is expected to be at that time? A claimant's condition must be found at an exact time. How can it be prognosticated that three months hence a man will have recovered from 50 per cent of his disability? It is absurd.

Now here is the similar case of Hugh C. Graves, C-372384-M. This man is suffering from chronic arthritis and has had it ever since he was discharged from the Army. He is hospitalized at Hot Springs. He is receiving \$80 monthly. On December 8, 1921, the bureau wrote me that he would be cut to \$8, effective January 1, 1922. By pinning them down I succeeded in learning that his last examination—the examination upon which the reduction was alleged to be based—was made on August 28, 1921.

IN HOSPITAL WITH TUBERCULOSIS—GETS 20 PER CENT RATING.

Here is the case of Jenn R. Edwards, C-1128241. This man is tuberculous and has been in a hospital for months. He was discharged from the Army because he had active tuberculosis. Here is his discharge for "S. C. D." He has received an award

based on a rating of 20 per cent disability. I recently had a letter from the bureau in which they said that this man's disability, lung trouble, has been rated at 20 per cent and inviting him to prove service connection. Nevertheless he is down and out in the hospital.

Now, I must close. I can not take up all the cases to which I would like to refer; there are too many. But I will not close until I call attention to the case of William Rice Brandon, C-122945. He was discharged from the Army for tuberculosis, and was rated from the time he was discharged as totally and permanently disabled. He was allowed \$100 a month. His mother is a poor widow solely dependent on him. The bureau allowed her \$10 a month for dependency. After paying her for 24 months, \$240, they wake up and find that claimants who are permanently and totally disabled are not entitled to a dependency allowance. I have no doubt that it will be news to Members that if a man is temporarily disabled he may have a dependency allowance for as much as \$135 if he is a widower with five children and his parents are dependent upon him, but if he is permanently disabled, with the same dependents, he can not get more than \$100 a month. They finally waked up and demanded of this old woman that she immediately refund the \$240. She could not do it; she had spent it for bread and shelter. Then they demanded it of the boy, incurably ill of consumption, fighting his last battle in some western hospital trying to live as long as he can. They demanded of him that he refund the \$240. Of course, he could not do it. Then they notified him that he would receive no more compensation until the amount of the \$240 had been retained from his payments. The final result was that the boy was forced to agree to refund it at the rate of \$40 a month, so that during that time he only gets \$60 a month for six months. From this he is paying his own way at the hospital, fighting for his life even as he fought for his country.

Mr. Chairman, the people of the United States are resolved that our soldier relief work shall be efficiently carried on and that men disabled by reason of their service shall be aided with sympathetic liberality. That sentiment of their constituents is fully reflected by Members of Congress. We are tired, as the country is tired, of inefficiency in the Veterans' Bureau, of neglect, indifference, evasion, and delay.

The sooner the officials and employees of the bureau realize this situation, the better it will be for them as well as for us. Congress will not sit idle while the methods are being followed as illustrated in the cases which I have presented. The director and his assistants must make up their minds either to change their practices or to vacate their positions. If they are not going to change, then the sooner they vacate the better.

The Veterans' Bureau was not created as a money-saving device. We could save more money by abolishing it. It was created as a channel for the distribution of funds appropriated by Congress for the relief of disabled soldiers. The laws are ample. They were passed in a liberal and sympathetic spirit. They should be interpreted in a like spirit. Let us have done with inertia, suspicion, and quibbling. The country wants the disabled soldiers relieved. The bureau must submit to the will of the people.

THE ADMINISTRATION AND THE THREATENED COAL STRIKE

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

JANUARY 21, 1922



WASHINGTON
GOVERNMENT PRINTING OFFICE
1922

88100—22242

SPEECH
OF
HON. GEORGE HUDDLESTON.

THE ADMINISTRATION AND THE THREATENED COAL STRIKE.

Mr. HUDDLESTON. Mr. Chairman, the inconsistencies of the present administration when dealing with questions of labor and industry are something fearful and wonderful to behold.

We are about to have the greatest coal strike in the history of this Nation. On April 1 next, the existing contract between the operators and the miners will expire. The operators have declined to negotiate with the miners for a new contract. They have declined to consider making a new contract. They want a strike; they are courting a strike. Yet in the face of this impending calamity, the administration lifts up its hands in helplessness and says that it will make no effort to prevent the struggle which will prove so costly to the Nation.

This coal strike will prove little less than a national catastrophe. What will it mean? It will mean first the greatest shock that business can possibly have. It will mean the most depressing influence upon economic conditions that imagination could well conceive. But more than that it will mean suffering upon the part of the public, shivering and cold to thousands of people, innocent women and children. It will mean that many lines of industry will be paralyzed, with thousands of workers thrown out of employment, and that hunger will stalk. Conditions will be even worse than they are now, when some three or four million men are out of employment, and literally tens of thousands are suffering for the common necessities of life. It will mean that the miners and their families will be thrown out of their homes, naked to the elements. It will mean that their wives and children will suffer for bread, as well as for shelter.

WHAT IT WILL MEAN TO THE OPERATORS.

On the other hand, it will mean on the part of the coal operators no great sacrifice, because the coal business is greatly depressed. They have profiteered upon the American people and along with the display of vaunted "patriotism" in the trying days of the war they have extorted from the consumers of this country profits which attained the verge of actual dishonesty. Of all the conscienceless profiteers none have been more ruthless than those who charged extortionate prices for coal during 1920. From 1916 on have been the fattest years in the history of the coal business—the aggregate profits of the operators run literally into billions. They have fattened their bank accounts and have invested in Liberty bonds and other securities, and now when business is bad and they are not making any money anyway, they can well afford to shut down for a

few months and take a turn at trying to destroy the miners' organization.

In the face of this appalling situation, or perhaps it may be because of the last fact I have just assigned, the administration now throws up its hands and confesses its helplessness. In yesterday's Washington Herald appears an inspired article, including an interview with Secretary of Commerce Hoover, in which he announces to the people of the United States that it is not the purpose of the administration to try to do anything whatsoever to avert the strike. I quote from that article:

FEARS STRIKE IN COAL FIELDS IS INEVITABLE—SECRETARY HOOVER SAYS ALL CONCILIATION HAS FAILED—OPERATORS WANT FINAL SHOW-DOWN.

Soft-coal miners and mine union leaders believe they have cause to call a gigantic strike on April 1 next unless granted a new and satisfactory wage agreement by the operators. But they hope the strike may be averted.

Administration officials hope the strike may be averted, but see no way now of averting it.

Coal operators would like to see the strike go into effect for a real "show-down."

These are the outstanding phases of a serious economic situation literally saturated with politics both within the American Federation of Labor and in the field of national parties, pregnant with suffering and business losses and charged with threats and counter threats involving the "open-shop" campaign, which has stirred labor.

That a strike would seem inevitable in the bituminous fields at the expiration of the miners' present national agreement, March 31, is the belief of Secretary Hoover. If the bituminous workers walk out, say labor leaders, the anthracite miners will follow them, throwing 500,000 men into the strike.

"There seems little possibility," Secretary Hoover said, "that any machinery might be set up to avoid the strike. The Government has taken no further steps to avoid the walkout. Unless something unforeseen occurs to adjust the difficulty, it seems that the stage is set for a strike."

The Government's position has long been known to be that sooner or later there would have to be a show-down in the mine fields. Its attitude is that if a strike must be, it must be, and the sooner the issue is disposed of the better.

Again I quote:

On the other hand, the miners' officials hold that some operators and other undefinable forces are slackening the industry to aid the alleged fight of finance for the open shop.

James Lord, chief of the mining division of the American Federation of Labor, puts it thus:

"What good would Government intervention do if the fight against organized labor is ignored?"

"That issue is even beyond the living-wage question. Can a reduction in wages bring any increased employment when there isn't any employment?"

"The miner's problem is not the only one. It is merely one typical product of the frenzy against the rising tide of organized labor."

Secretary Hoover, during the unemployment conference here last fall, attempted to effect an agreement in advance between coal operators and mine union officials to arbitrate the wage question. He was told by the miners' leaders that this could not be done.

President Lewis, of the United Mine Workers, sought to bring a conference, but called it off when some of the operators declined to participate.

So the situation stands just there. The Government sees nothing further to do. Union leaders see no possible hope in Government intervention because they hold that refusal of the operators to meet them means nothing but a fight against organized labor.

It is not merely for the incapacity of the administration that I complain. There is something more sinister. It is the smug complacency with which Mr. Hoover says that no further effort will be made to avoid the strike.

What a strange contrast, what a shocking contrast, between the statements now made on behalf of the administration and the address which the President delivered in this Chamber only six weeks ago. Then he was for stopping strikes. Then he was for intervening with the strong arm of the law. Then he advocated industrial courts which would effectually prevent strikes. Now, it seems, he is willing for the struggle to come. He spoke in the abstract on December 6; the administration spoke in the particular on yesterday.

WHY ADMINISTRATION IS COMPLACENT.

The administration is complacent toward the strike because it believes that it can come to but one end. Four millions of men are out of employment in the country. It will be easy to hire strike breakers. The miners have had slack work for many months; they have been barely able to exist; they have exhausted their slender reserves. They can carry on an effective labor struggle only with the greatest difficulty. It seems to the administration that they are bound to lose; that men who have no savings will be easy to starve into submission. The administration is complacent because the hard-hearted and arrogant coal operators are ready and want the strike to come on.

What a contrast between the exceeding tenderness of the administration toward the railroads. [Applause.] The transportation employees, engineers, conductors, and trainmen hold the key to transportation. These crafts were well organized. Their threatened strike meant possible success. They had a chance to win. No effort was spared on the part of the administration to prevent it. Public opinion was marshaled to drive the railroad workers back into submission. There was no strike. But it does not take the same high degree of skill to work about a coal mine. Plenty of men are out of work, practically starving, who are skilled enough to work around coal mines. The administration feels that it will not hurt the operators to have a great strike at this time; that the industry will not seriously suffer and that the strike will have just a single result—the destruction of the miners' organization. So that the administration is smugly and complacently lending itself to the "open-shop" crowd that aim at nothing less than the destruction of all labor organizations.

Mr. HERSEY. I am interested to know, before you close your speech, whether you are going to develop a recommendation to the President of the United States as to how he is going to stop the strike on your advice?

Mr. HUDDLESTON. Let him use the influence of the administration to get the operators to meet their employees to talk over their differences; that is the least that he can do. Why does not the President call a conference between the operators and the miners? It will place the blame for this strike so that the American people can see clearly where it belongs. Let them talk their troubles over in public. If they can not agree we will then see who is at fault.

Mr. HERSEY. The remedy is a labor conference, then?

Mr. HUDDLESTON. That is merely one remedy—the easiest one, the most obvious. This struggle has been coming on for months. Every man acquainted with the labor situation in this country and who knows nothing about the mining industry knows that the operators have been waiting and watching and

longing throughout the last two or three years for an opportunity to "go to the mat" with the miners' organization. A man who does not know that is not fit to be President nor Secretary of Commerce. Men who are well informed and know the animus of the operators know that they have been looking for this chance and that they welcome the occasion for a struggle with their employees now, as it seems to them the time is opportune. And the administration turns its thumbs down—"Do what you will; the Government of the United States will not intervene, either by the influence of the President or through the forms of law."

Mr. WALSH. And is it not a fact that there are a large number of coal miners who do not belong to an organization, and that are willing to continue to work?

Mr. HUDDLESTON. I do not know. I will say to the gentleman from Massachusetts that there are a large number of coal miners who are not permitted by their employers to belong to any kind of an organization. Their employers have the power and the tyrannical spirit to say to the men who work for them, "You shall not belong to a labor organization and continue to earn your bread in this community." With these men it is a choice of renouncing their membership in the organization or of starvation. What the administration is fixing for is to bring hundreds of communities in the United States into the condition of suffering and lawlessness existing in West Virginia, where a barbarous fight between the miners and their employers has been waged for the past two or three years.

Mr. WALSH. Is it not a fact that this agreement which expires in April was entered into after the strike which occurred in 1919, which was settled through the intervention of President Wilson?

Mr. HUDDLESTON. Oh, no——

Mr. WALSH. I think the gentleman is mistaken.

Mr. HUDDLESTON. Not "settled through the intervention of President Wilson." I respect Mr. Wilson. Let us not put that atrocity upon his shoulders. While the President was sick in his bed and unable to give the matter his attention, a member of his Cabinet took advantage of the situation and used the powers of the United States to throttle the strike; not to settle it, but to crush it. And in the same tyrannical spirit the strike which now threatens would be crushed if it was not believed by those in power that to let it run its course will mean the destruction of the miners' organization; that spirit is behind this complacency and this willingness for the strike to come on.

Mr. UPSHAW. Does the gentleman believe that if the President would take the initial step of calling a conference between the operators and the miners the effect would be composing and wholesome?

Mr. HUDDLESTON. The effect would be wholesome. Let me say to the gentleman from Georgia that I know coal operators pretty well. I have a lot of them in my own district. I know their spirit and disposition. Of course, some of them are good men. But I want to tell you that the dominant element among the coal operators is thoroughly un-American. They care little who may suffer so long as it is not themselves. Their consuming desire now is to go down to battle with their employees for the purpose of destroying the miners' organizations.

I have grave doubts whether even the President of the United States, close as he is to those great interests, could by his intervention stop the strike. But I do say that common good will and loyalty to the public welfare and to his country demand that the President shall do all that in him lies to prevent this great catastrophe. [Applause.] I say that if the President allows this strike to come on without using his influence with these oppressive employers—without asking the intervention of Congress, without lifting his hand, without doing anything whatsoever—he will mark himself so that he will be known throughout the history of our country.

Mr. WALSH. Has the gentleman information to the effect that the supposed intervention of President Wilson in 1919—

Mr. HUDDLESTON. There was no "supposed intervention of President Wilson." There was the intervention of a Federal judge out in Indiana; there was the intervention of the Department of Justice for the intimidation of the miners. There was no intervention of President Wilson. The President was sick. Nobody can say that any influence was used except the might of the strong arm.

Mr. WALSH. The gentleman will recall that a conference was called in Washington at that time, supposed to be called by the President.

Mr. HUDDLESTON. In August, 1919, there was a conference held. It should be known as the "Gary conference," for the president of the Steel Corporation dominated it, and prevented the adoption of any program for peace in the industrial world. Gary thwarted its purpose, which was to adopt a program for peace between employers and wage earners in all lines of industry. [Applause.]

Speech of Mr. Walsh.

Mr. WALSH. The gentleman from Alabama [Mr. HUDDLESTON] has devoted some time to the discussion of the pending situation in the coal-mining industry, and seeks to take to task the President of the United States and the administration for not doing something to relieve and remedy conditions.

As a matter of fact, I think the gentleman will find that an agreement was entered into between the operators and the coal employees in 1919 as the result of a conference being held here in an attempt to adjust difficulties, and a situation that was threatening then somewhat similar to that which the gentleman says is pending now. I wonder if the gentleman is recommending to the President of the United States to take the same steps that his predecessor in office took when he came before Congress and demanded that we pass the Adamson law, which was put upon the statute books, and which is at the basis of most of the troubles that confront the railroads of the country to-day, notwithstanding that later we provided the Railroad Wage Board for adjusting difficulties which arose between the railroad managers and owners and their employees. At that time we were told that we would be asked for further legislation to alleviate certain other conditions arising out of transportation problems.

The fact is that this coal dispute which is threatening is a serious question, but as yet there is no indication that there

is need for the strong arm of the law to be placed either upon the operators or upon those who are working for them. In many States of the country there is a large number of coal miners who are willing to return to work, who are willing to accept the pay that is offered to them, but who have been prevented because the leaders and officers and managers of certain organizations that have within their control vast numbers of aliens who have been taken into these unions will not permit them to do so in peace; and while it may result in some discomfort and in some suffering until there has been an utter failure on the part of these men to agree and on the part of the operators and the miners to come to some understanding whereby this agreement which was entered into might be renewed or some other contract or agreement might be entered upon, I submit that there is no occasion for the distinguished gentleman from Alabama to rise and condemn the administration or the President, because the gentleman well knows that the people who toil in this country have no better friend than the present administration or the present Chief Executive of the United States.

And if their problems are brought here to this House they will find that upon the majority side and upon the minority side they will give respectful attention and that whatever relief or remedy is required will be afforded them. The gentleman from Alabama [Mr. HUDDLESTON] has become a spokesman for the minority side whenever questions affecting organized labor arise. They have their spokesmen upon this side, and we must remember that organized labor, powerful as it is, has men of influence holding positions under high salaries, who are not recreant to the trust imposed in them and who do not let slip any opportunity to bring to the attention of the American people and of legislative bodies, both this Congress and the State legislatures, questions for which they demand solution. When they are right, their demands will be acceded to, and once in a while they are right; but they certainly were not right when they succeeded in holding a gun at the head of Congress in 1916 and put through that measure which has been called the Adamson law. [Applause.]

Mr. Huddleston's Reply.

MR. HUDDLESTON. Mr. Chairman, I have heard a lot of silly talk on this floor about the labor leaders being eager for strikes, that they always use their influence for strikes. There never was a sillier thing said in this or any other body. The real fact is that the labor leader is always the most conservative member of his organization. I will not take the time to tell why that is so, but it is a fact known to all men who know anything about the subject.

It is also a fact that for a time there has been dissension in the ranks of the United Mine Workers. That dissension grows out of the fact that their president, John Lewis, is more conservative than many of the men that he is supposed to lead. That is really the origin and the root of the trouble. I do not take any side in this dissension. It is not a matter that I feel free to speak upon, except to say that the troubles which Mr. Lewis has in holding his leadership lies in the fact that he holds

to more moderate and conservative views than a substantial and important element of the membership of his organization.

And let me say this further to the gentleman from Massachusetts [Mr. WALSH], that Mr. Lewis, just as every other real labor leader, leads merely because he is pushed on by those whom he represents. No labor leader will ask more than his members want him to ask—many leaders ask much less and so soon cease to be leaders. There will be no strike unless the plain coal diggers want that strike. They are the men who will force action. They are the men who move their organization into activity.

A STRIKE OF COAL OPERATORS.

The matter involved in the threatened strike is not, as the gentleman seems to believe, a question of wages, nor is it a matter of labor conditions. It is the life of the miners' organization. The proposition is not merely to reduce wages. That is not what the fight is about. The operators refuse to negotiate with the organization. They want to destroy it; they want to take away the miners' only means of protection. That is the trouble. The real purpose of the operators now that they have got the mine workers on the hip, due to the depression in the industry, due to the thousands of men being out of employment who will be available as strike breakers, now that this is their golden hour, their purpose is to destroy, once and for all, the mine workers' organization. I ask the gentleman from Massachusetts, does he sympathize with that purpose?

The President the friend of the workingman! The present administration the friend of the men who work! How does he prove it? What has he done for the men who toil? How has he demonstrated that he is their friend and that he is interested in their concerns? Has he demonstrated it by proposing here in his address on December 6 measures designed to throttle them and to render their organizations ineffective? Is that the great thing that he has done for them? Did he show himself their friend by putting the machinery of the Government into motion to suppress the threatened railroad strike—to suppress it not in the interest of the public, not in the interest of the workers, but in behalf of the railroad managers and financiers, who feared that there was a chance for the workers to win in a strike? How has the President proven that he is the workers' friend? Heaven save them from such friends!

The President has a splendid opportunity now in front of him. If the President be the friend of labor, let him use a little of his influence as President of this great Nation to get the coal operators to talk to their employees about making another contract. Ought not a contract to be made? Every man will admit that it ought to be made, every man who is fair. Why does not the President try to get these friends of his, these big business men, these profiteers, these people who furnished the money and the brains to put him in there as President—why does he not use his influence with them to get them to talk with these humble, hard-handed men who dig the coal out of the ground miles away from the daylight?

HENRY FORD, MUSCLE SHOALS, AND THE ALABAMA
POWER CO.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 23, 1922.

Mr. HUDDLESTON. Mr. Chairman, I voice the sentiments of 99 per cent of the people of Alabama in urging upon Congress that Henry Ford's offer for Muscle Shoals be accepted and that the offer which has been made by the Alabama Power Co. be rejected with contempt.

The people of my State are deeply concerned over the present situation. They are wrought up to an extraordinary degree. They are stirred as they have never been stirred before over the developments concerning the disposition of Muscle Shoals and upon the offers which have been made concerning it. Within the past few days action upon the subject has been taken by practically every organization in the State. Civic bodies, veterans' societies, labor organizations, farm organizations, and women's clubs have had their meetings and passed resolutions expressing in one form or another the sentiments with which I began these remarks. Mass meetings have been held in many of the cities and towns for the purpose of expressing those sentiments and presenting them to Congress.

In my own city of Birmingham, two days ago, a public meeting was held which packed our largest theater, and from which more than a thousand people were turned away, at which those sentiments were unanimously expressed. I believe that I am safe in saying that the people of Alabama rather than have Ford's offer rejected and the Alabama Power Co. placed in control at Muscle Shoals would rather see the majestic Tennessee River remain undeveloped, and for another quarter of a century roll on unharnessed to the sea.

ALABAMA TRUSTS FORD, FEARS POWER COMPANY.

The profound emotion which stirs the people of Alabama may not be understood by those unfamiliar with our local conditions. To understand our feelings it is necessary to know something on the one hand of the history and activities of the Alabama Power Co., and on the other of what we expect from development by Ford.

The people of Alabama trust Henry Ford. They believe in him. They regard him as the exemplar of the best in modern American industry. He is no ruthless dollar grabber. He holds to honorable competition and not to monopoly gained through corrupt methods and oppressive practices. He does not grind the face of labor and take advantage of its every extremity to extort the greatest possible amount of toll for the least possible return. He is not an oppressor of the poor. He has some higher ideal than the worship of the dollar made god.

We feel that he is sincere in saying that he does not desire the opportunities of Muscle Shoals for mere profit making but that he wishes to build there a great industrial community, which will be a monument to himself when he is gone.

Ford sees a great vision at Muscle Shoals—immediate employment of idle hands with eventually profitable work for a million men—cheap fertilizer for our farmers—the loosening of the stranglehold on industry by the productions of the electric furnace—defeat of monopolies in necessities of life and industry now held by selfish interests, and, finally, the building of a great industrial community with a happy population of well-paid and productive workers. The people of Alabama believe in Ford. They believe in his vision. They see the vision with him. They commit themselves unreservedly to the hope that the vision may be made a reality.

WHY POWER COMPANY IS FEARED.

On the other hand, let us consider the views of the people of Alabama as to the Alabama Power Co. That company is a subsidiary of the Alabama Light, Power & Traction Co., a Canadian corporation, owned in chief by Edgar, the London banker. The power company was organized some 15 years ago. Its beginnings were quite modest, as its capital was limited. Its organizers had no such ambitions as the present owners of the concern. Shortly prior to 1908 the attention of British capitalists was directed to the water-power possibilities of our State. They found Alabama to be probably the richest water-power State east of the Mississippi. It is said that our water power aggregates probably about 2,000,000 horsepower, the equivalent of some five Niagaras as at present developed.

These British interests proceeded quietly to get control of the Alabama Power Co. and to acquire all the desirable power sites in the State. They sent their spies throughout the State and along remote mountain streams and into the least developed parts of the State. They found the best places where dams might be located. They took over these sites, sometimes buying only a few acres, the key to the situation, which was purchased for a trifling sum from some uninformed owner. Then they began their siege of the State government. Always there were local parties who could be used as their instruments.

Our legislature was unaware of the scheme to entrap them. They surrendered to the devious methods of this great selfish interest and were hoodwinked into passing our power act of 1908. By that act the State of Alabama practically abdicated its sovereignty over its greatest natural asset, the use of its splendid rivers for the production of power. The act granted in perpetuity to the owners of power sites the right to construct their dams and works without payment to the State of one cent in return therefor. The act also granted the State's power of eminent domain for the condemnation of lands for flowage and other purposes, and this without a cent in return. To crown its folly the legislature granted an exemption from taxation for all works of water-power development. The Alabama Power Co. having acquired all the best of the power sites, the practical effect of the act was to grant to that corporation a perpetual monopoly of water power in Alabama.

Following the passage of that act the Alabama Power Co. constructed a power plant at Lock 12 on the Coosa River, and is

now engaged in constructing another plant a few miles farther down the Coosa. In aid of its power monopoly it has acquired certain other plants, including fuel plants, and has taken over certain street car lines and lighting systems already in operation. But it has done nothing further to develop the water powers of our State. The rivers flow on unharnessed. The power company owns the dam sites. It will not or can not develop them, and, like a dog in the manger, allows no other interest to do so.

HAS BEEN IN POLITICS FROM BEGINNING.

But this is only a part of the story. The Alabama Power Co. has been in politics from the beginning. It has had its State governor, its legislators, and other officials. It has had its champions in Congress. It has tainted the judgments of our courts. The slime of its trail has befouled our elections. It has its subsidized newspapers. As Ford stands for the best in American industry so does the Alabama Power Co. stand for the lowest in our industrial life.

The Alabama Power Co. covers our State with the menace of its influence; it impedes progress; it blocks all development from which it does not draw profits. The grant of Muscle Shoals to this great selfish concern will give it a monopoly in water-power production in the richest power State east of the Rockies. It will place the throttling fingers of this merciless concern around the throat of Southern industry. It will thwart the development possibilities of the section of the South greatest in natural resources. It will prevent during the years of the ascendancy of this company the legitimate growth of a section great in industrial possibilities. But worse than all, it will block the political, social, and educational development of that section. Alabama does not want to be a rotten borough under the domination of a great industrial interest.

It is my desire not to overexpress the feelings of the people of my State and not to make extravagant statements. It would be hard, indeed, for me to overstate the opposition of my people to the grant of Muscle Shoals to the Alabama Power Co. We know what to expect from that company. As we trust Ford, we fear the Alabama Power Co. As Ford is humane, that company is selfish. As he depends for success upon legitimate competition, it relies upon monopoly and oppressive practices. As he refrains from meddling with matters of government, it exerts a malign influence on public affairs. As he pays decent wages, the Alabama Power Co. is now, upon the works which it is building upon Coosa River, taking the labor of men for as little as \$1.25 a day.

A TOOL OF THE GREAT TRUSTS TO STRIKE FORD.

But there is yet another aspect of this situation. We of Alabama know that the Alabama Power Co. is not acting for itself alone in making an offer for Muscle Shoals. The real purpose of the offer is to defeat Henry Ford's offer and the competition for the great trusts which lies in his acquisition of Muscle Shoals. The Alabama Power Co. is ambitious, it has its "great expectations," but it has not the financial strength to put through the offer that it has made. It has received assurances from outsiders who use it as a tool with which to strike at Ford. The Virginia-Carolina Chemical Co., the fertilizer trust, the General Chemical Co., the chemical trust, and

the great trusts which by reason of their monopolies gained by secret processes of production and devious business methods in nitrates, aluminum, abrasives, steel alloys, and carbide—these colossal concerns are deeply concerned in preventing Ford's development of Muscle Shoals. They squat at Niagara clutching the throat of American industry, and through their Wall Street affiliations are well able to finance any adventure which promises to further their aims. They can well afford to see to it that the Alabama Power Co. is furnished with the resources with which to make its offer. Their Washington lobbyists are coordinated and in action. The Alabama Power Co. offer is obviously the fruit of a conspiracy which they have concocted.

SHALL OUR MEANS OF DEFENSE BE UNDER BRITISH CONTROL?

And now let us turn from the terrible to the ridiculous. Our Government is interested in Muscle Shoals primarily for the purpose of producing nitrates for the manufacture of explosives in time of war. As a measure of national defense we want to be independent of foreign sources of nitrate. It was for that purpose that the development of Muscle Shoals was entered upon—for that all our millions were poured out there. And now this subsidiary of a British corporation dares to propose that it shall be intrusted with that governmental interest. Think of the colossal impudence of it! How do we know; perhaps our next war may be with the Government to which the chief owner of this company owes his allegiance. We should then find ourselves confronted with a situation in which we would have to rely upon this foreigner for an essential means for the defense of our country.

Sensing the storm raised by its offer the Alabama Power Co. is calling for support from the Southern newspapers. It is now engaged in an expensive advertising campaign which seems to have little purpose other than as a graceful means of putting some money into publishers' pockets, since there is little sense or substance in the matter printed. It is spending hundreds of dollars in this way. It is characteristic of this concern that it should rally newspaper support by this means. This is not the first time that the Alabama Power Co. has spent large sums on advertising for the purpose of affecting political events. Unfortunately there are indications that the money being spent in this way is accomplishing something of its object. In the case of at least two of the dailies there are signs of weakening in their interest in Ford's offer. But the weakening of these newspapers has developed no corresponding relaxation upon the part of the people. To the contrary it is met by still greater feeling upon their part and by their overwhelming insistence that Ford's offer shall be accepted and that the Alabama Power Co.'s offer shall be spurned.

Perhaps it may be considered that it is premature for me to speak upon this subject while the Committee on Military Affairs is yet considering it, but when you realize how deep are the emotions of the people of Alabama and how profoundly indignant they are over the present situation you will agree that they have a right to have their sentiments voiced in this Chamber. [Applause.]

01830—22314

THE FOUR-POWER TREATY

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

APRIL 12, 1922



WASHINGTON
GOVERNMENT PRINTING OFFICE
1922

100580—22532

SPEECH
OF
HON. GEORGE HUDDLESTON.

THE FOUR-POWER TREATY.

Mr. HUDDLESTON. Mr. Chairman, what is a "big Navy" and what is a "little Navy"? The answer depends altogether upon what you are comparing the navy with. Since the surrender of the German fleet there has been no navy of the world other than those of Great Britain and Japan which might be compared with the American Navy. So that answering the question as to our Navy, it is "big" or "little" as compared with the British and Japanese Navies.

Under the situation now presented, the Four-Power Treaty having been adopted, it has become impossible that Great Britain or Japan should attack the United States in the Western Hemisphere. It is likewise impossible for the United States to make war on Japan or Great Britain in the spheres set apart to them. Neither of the nations is given a navy sufficient to meet the navy of the other if it should give battle near the naval base of its adversary. In short, the practical result of the Four-Power Treaty is to divide the world into three parts—the Orient which is given to Japan, the Western Hemisphere, in which America is made supreme, and Europe, Africa, and the Near East, the hegemony of which has been granted to Great Britain. It is not possible for either of the powers to attack another unless it should be in combination with one of their associates.

The Four-Power Treaty has made this situation stable for 10 years. We are foolish if we do not recognize and accept that fact.

I am thinking of the Four-Power Treaty. I wonder whether the price we have paid has not been too great. We have put it definitely out of our power to question the authority of Japan in the Orient. We have conceded her supremacy by agreeing not to fortify our eastern possessions. We have said to Japan, "We trust your good faith. We commit to your hands the destiny of the Philippines, Guam, and all American interests on the other side of the Pacific."

THE DEMOCRATS HAVE ALWAYS HAD THE PRINCIPLES, BUT—

Some seventy-five years ago a prominent American, in discussing the partisan politics of that day, said that the Democrats had always had the principles, but their opposition had had the leaders. I deny that it was true then. It would place the Democratic Party upon a low plane to admit that it is true now. But I am reminded of this saying by the utterances of a former Democratic candidate for the Presidency, delivered recently in

New York at a Jefferson Day dinner. He urged that the League of Nations should be made the issue of the next campaign.

Why should the Democratic Party make the League of Nations the issue in another campaign? The people have spoken upon it in so far as the treacherous currents of partisan expediency permitted them to speak. So far as the 1920 election constituted an expression upon the league, the decision of the people was against it.

The Republican Party came into power virtually without a program. Its campaign was a campaign of negation, of unjust criticism, of sectional appeal, of hypocritical pleas and of promises impossible of performance. Of all its professions it has as yet redeemed but one, that for a separate peace with Germany. All the remainder rest in pretense and apology. Having control of every branch of Government it has allowed the country to drift into an economic depression unprecedented in our history. In the meantime the invisible masters of the party have been busy getting "theirs"—the railroad owners, the war contractors, the profiteers, the tax dodgers, all have been busy.

The Republican administration has failed. It would now divert attention from its domestic failure to its pretense of foreign success. It would point the people from the things about which they know—from its indifference to distressing unemployment, from its incapacity to deal with conditions which have brought business to the door of bankruptcy, from the complacency with which it has permitted a vast coal strike to occur, from its favoritism toward big business and big finance, from its universal incapacity and ineptitude in dealing with the public welfare—it would point them to pretended success in foreign matters, with which they are little familiar. In this situation for Democratic leaders to acquiesce in the Republican scheme to substitute foreign affairs for domestic questions as issues for the next campaign is not only foolish from the standpoint of party but is unpatriotic as well.

Why a Jefferson day dinner was made the occasion for the utterance of sentiment in behalf of a League of Nations I can not imagine. Jefferson must have turned in his grave when the occasion designed to do him honor was so perverted. I remember that he said:

I am for free commerce with all nations, and political connections with none; I am for not linking ourselves by new treaties with the quarrels of Europe, or entering that field of slaughter to preserve their balance or join in the confederacy of kings to war against the principles of liberty. The first object of my heart is my own country.

THE LEAGUE OF NATIONS.

The League of Nations had serious faults. It was in certain particulars a surrender of American sovereignty. It committed us morally, along with the other nations, to the exercise of force in keeping the peace of the world and in punishing those who might break it. It committed us to a policy of entanglement with European issues and meddling with European concerns. But overshadowing even these serious matters was the awful fact that the league carried in its bosom the monster of the treaty of Versailles. It bound us to defend that treaty, to see that its terms were performed, to stand surety for the good faith of our associates, to all the complex conditions of repara-

tions and arbitrary national boundaries. Coupled with that treaty the league would have subverted every principle of American foreign policy from the beginning of our history to the present. Had we committed ourselves to it, it would have been for Americans to die in order to collect British and French war indemnities and to defend the foolish and, I might well say, the wicked rearrangement of national boundaries which the treaty made.

But despite its intolerable faults, the fundamental of the league was to secure the peace of the world; it held its head high in the clouds of idealism.

THE REPUBLICAN POSITION.

The opposition of the Republican Party to the League of Nations was evasive. They did not meet it with candid frontal attack, but thrust it with pin-pricking criticism. The Republicans deemed it expedient from a partisan standpoint not to oppose the principle of an agreement among the nations for the preservation of world peace. To the contrary, they expressly approved that principle. The Republican platform of 1920 made this pronouncement upon the League of Nations:

The Republican Party stands for agreement among the nations to preserve the peace of the world. We believe that such an international association must be based upon international justice and must provide methods which shall maintain the rule of public right by the development of law and the decision of impartial courts, and which shall secure instant and general international conference whenever peace shall be threatened by political action, so that the nations pledged to do and insist upon what is just and fair may exercise their influence and power for the prevention of war.

Mr. Harding, in his speech accepting the Republican nomination for President, said:

I can speak unreservedly of the American inspiration and the Republican committal for an association of nations, cooperating in sublime accord, to attain and preserve peace through justice rather than force, determine to add to security through international law so clarified that no misconstruction can be possible without affronting world honor.

These statements are clear. They need no interpretation. They promise a world association which all the nations would be invited to join, and which would afford a forum in which justice could appeal against might, in which the weak might appeal against the strong.

I ask you, gentlemen on the Republican side of the Chamber, how have you kept that solemn promise to the American people? How have you made good upon your word? You answer me and say that you have made it good by the Four-Power Treaty. Your promise was for a world court for the ordering of justice, for an association of nations which all would be free to join. Your performance is a league among the four great military powers of the world for their own selfish benefit and to perform their own purposes.

The concept advanced by your promise is the same as that of the League of Nations. The league was impracticable, some have called it, too full of idealism, and holding its aim too high. That is the criticism made. But whatever may be said about it, always it looked to peace and to justice and righteousness in this world.

I have heard criticism of the brave and patriotic Democratic Senators who favored the League of Nations but who oppose

the Four-Power Treaty, based upon the alleged inconsistency of their positions. I am proud of the Democrats who oppose the treaty. They have proven themselves good Democrats and good Americans. But perhaps they have not enough resented the unfair criticism. It is unfounded, as I shall show.

THE FOUR-POWER TREATY.

This is the four-power treaty:

I.

The high contracting parties agree as between themselves to respect their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean.

If there should develop between any of the high contracting parties a controversy arising out of any Pacific question and involving their said rights which is not satisfactorily settled by diplomacy and is likely to affect the harmonious accord now happily subsisting between them, they shall invite the other high contracting parties to a joint conference, to which the whole subject will be referred for consideration and adjustment.

II.

If the said rights are threatened by the aggressive action of any other power, the high contracting parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

III.

This treaty shall remain in force for 10 years from the time it shall take effect, and after the expiration of said period it shall continue to be in force subject to the right of any of the high contracting parties to terminate it upon 12 months' notice.

IV.

This treaty shall be ratified as soon as possible in accordance with the constitutional methods of the high contracting parties and shall take effect on the deposit of ratifications, which shall take place at Washington, and thereupon the agreement between Great Britain and Japan, which was concluded at London on July 13, 1911, shall terminate. The Government of the United States will transmit to all the signatory powers a certified copy of the procès verbal of the deposit of ratifications.

The present treaty, in French and in English, shall remain deposited in the archives of the Government of the United States, and duly certified copies thereof will be transmitted by that Government to each of the signatory powers.

The dynamite in the treaty is in article 2:

If the said rights are threatened by the aggressive action of any other power, the high contracting parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

To understand the deadly import of this language compare it with article 1 of the British-Japanese alliance, which reads:

It is agreed that whenever, in the opinion of either Great Britain or Japan, any of the rights and interests referred to in the preamble of this agreement are in jeopardy the two Governments will communicate with one another fully and frankly, and will consider in common the measures which should be taken to safeguard those menaced rights or interests.

Mark you, that the Anglo-Japanese treaty was confessedly an alliance. It was an alliance for war. Under it Japan was brought into the World War. It is couched in substantially the same language as article 2 of the Four-Power Treaty. It means exactly the same thing. Speaking with the duplicity of diplomacy, Great Britain and Japan agreed to "communicate with one another fully and frankly." The same words are used

in the Four-Power Treaty. It binds America to go to war as Japan, under the Anglo-Japanese treaty, was forced to do in 1914. Japan nor Great Britain can engage in no war which does not involve their Pacific "insular possessions," and this means that the United States is bound by the treaty to become a party to any war in which Great Britain or Japan may choose to engage.

LEAGUE AND TREATY FACE IN OPPOSITE DIRECTIONS.

The amazing thing about the discussion of the Four-Power Treaty is that it appears to have proceeded upon the assumption that the Treaty partakes of the nature of the League of Nations. Men seem to assume that those who supported the League are bound to support the Treaty. The actual fact is that the League of Nations and the Four-Power Treaty represent opposing poles. They face in exactly opposite directions. They have nothing in common, in scope, or purpose. Consistency would require those who favored the League to oppose the Treaty.

The League of Nations was *inclusive*; the treaty is *exclusive*.

The conception of the League of Nations was that all the nations of the world should become members and that a forum should be provided in which the weakest might appeal against the strongest—where right might appeal against might. The chief purpose of the Four-Power Treaty is to provide an opportunity for conference among the four greatest nations concerning their mutual defense and for the imposition of their will upon any who may challenge their authority.

The League was an agreement for peace; the Treaty is a covenant for war. The League was intended to prevent war; the Treaty deals with the means to carry on war.

Under the Treaty no act of aggression by one of the four powers against any other nation is prevented. The four powers agree to respect each other's rights, but not the rights of nations which are not parties. It can not operate to protect any weak or helpless people from the aggression of one of the four powers. It contemplates not peace but war—not methods of peace but processes of force—not discussion of means to prevent quarrels but consideration of means to conduct war. It is everything but a world court in which justice may be done.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNES of South Carolina. I yield to the gentleman five minutes additional.

The CHAIRMAN. The gentleman from Alabama is recognized for five minutes additional.

AN AMAZING PARTNERSHIP.

Mr. HUDDLESTON. The least that may be said of the Treaty is that so far as it goes, it commits us to a partnership with Great Britain, France, and Japan in matters of world policy. We enter upon world politics upon an equal footing with them.

To justify parties in entering a copartnership the aims of the partners must be identical. Traders do not form partnerships with professional men. The conditions of the partners must be similar. Men who are solvent do not become partners with bankrupts. Men of reputation and integrity do not join with drunkards and profligates. All partnerships mean that the

strongest and best of the partners puts himself upon an equality with the poorest and meanest, and that his possessions will be jeopardized by his partners' faults.

Partnerships between nations are not formed upon different principles from those between individuals. The partner nations must have identity of aims and similarity of conditions. Great Britain and Japan are great imperialisms; France little less so. Their aims are for the extension of their dominions, for conquest by force, for commercial subjugation of undeveloped peoples. Great Britain and Japan in particular aim at a sort of world dominion—Japan of the Orient and Great Britain of India, Africa, and the Near East.

America has no similar aims; we seek neither commercial nor political advantage over any other people. At the most, our world policy is merely to seek trade opportunities upon a basis of equality. I am not unmindful that we have our own imperialists, with their dreams of sharing with Great Britain and Japan in the division of the world for political and commercial exploitation, but I am happy to believe that these constitute a small fraction and that the great bulk of our people still believe in real Americanism. As our aims are totally different from those of Great Britain, Japan, and France and as our situation is wholly different, we can not afford to enter a partnership with them.

TREATY BETRAYS AMERICAN INTERESTS.

But if we may assume that America has forgotten her principles and is committed to a policy of competition with Great Britain and Japan in world subjugation and exploitation, what answer does our selfish interest give to the Four-Power Treaty?

If we aspire to world dominion, we come into sharp competition with Great Britain and Japan. The danger of war with either or both of them is ever present, and the treaty will probably preserve peace for its period. But what then?

If we are in competition with Great Britain and Japan in the business which they have been doing and obviously expect to continue, it is to our interest to weaken them, not to add to their strength. The 10-year treaty period will give those nations time in which to consolidate their World War gains. They will be able to "dig in" on the new line, so as to be ready for the next advance. They will be able to further solidify their possessions, their strength, and their powers. Great Britain will solve her difficulties in Ireland, Egypt, and India; Japan will bring Manchuria and Eastern Inner Mongolia under her complete dominion even as Korea now is. Perhaps also she will have intrenched herself in Eastern Siberia. If things go well with Great Britain and Japan, the 10 years of security which the treaty gives will leave them immensely stronger in every way than at present. At the end of 10 years we will be confronted with the choice between a new alliance which will bind us to the wheels of their imperial chariots or we must face Great Britain and Japan, grown immensely stronger, more arrogant, and more deadly.

AMERICA'S DESTINY.

If it be our destiny to try the strength of democratic America against Great Britain and Japan, it were better to try it now

than to face them with their added powers and strength. With the Treaty they will have no distractions—no nation dare question their decrees—the development of possible rivals will be throttled, so that the 10 treaty years will expire and leave no nation to hold the balance of power, no great friend whose help we might have.

It does much violence to my principles to assume that we are to enter into competition in world policies with Great Britain and Japan. America's true destiny does not lie that way—it is that we shall remain a democracy, loving liberty ourselves and according it to all others—that our ideal shall not be of a new Rome levying tribute from the corners of the world and at last expiring from riches and selfishness. Surely America has not been in vain. [Applause.]

100580—22532



Fruits of the "Open Shop Movement"

THE TRAGEDY OF THE COAL STRIKE

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

MAY 5, 1922



WASHINGTON
GOVERNMENT PRINTING OFFICE

1922

104060—22005

SPEECH
OF
HON. GEORGE HUDDLESTON.

Mr. HUDDLESTON. Mr. Chairman, the dark tragedy of the miners' strike is now in its second phase. The supply of coal above ground is greatly reduced and in some localities will soon be exhausted. The operators are growing anxious for developments; not that they are yet suffering in any way, but because they are irritated by the miners' show of courage and endurance. The slender savings of the workers are much depleted. Hunger is already knocking at the door of thousands of homes. The great dull, stupid public is waking somewhat from its indifference and begins to express its sense of injury and grievance. A universal tension is appearing and the time is not distant when may be heard the rumblings which may mark the threat of storm and disaster.

The stage for the strike has been set for months. It has long been obvious to those informed in industrial matters that the coal operators have been seeking an opportunity to "go to the mat" with the miners' organization. As a backwash from the war has come a resurgence of the old reactionary and illiberal feeling of the employer class toward those who labor with their hands. With it has come an intense class consciousness and the determination upon the part of the employers to stand together in behalf of what the employer calls his "right to run his own business as he chooses." Having made tremendous sacrifices to strike down Prussianism in world politics, our soldiers have returned to find the spirit of Prussianism dominating American industry. Democracy, victorious overseas, has been defeated at home.

PART OF "OPEN SHOP MOVEMENT."

The "open shop movement" is the deceitful name given by its propagandists to the conspiracy to break down and destroy all labor organizations. It seeks to drive men who work for wages into submission to industrial conditions which will soon mark the workers as belonging to a social order which shall have no rights which will interfere with the profits and development of industry. The spirit of this movement is that of the old times of lordly baron and humble serf. It does not belong to this age but to the era of Wat Tyler and John Ball.

The purpose of the coal operators to destroy the miners' organization is merely an aspect of the "open-shop" movement. This fact is universally recognized by the classes supporting the "open shop." They stand like one man behind the

operators. Whatever influence they have is thrown on the operators' side. Whatever they may do toward shaping a public opinion hostile to the mine workers, that they are doing. Their parasites of politicians, lawyers, and so forth, are strident. Their servile press is backing them. Their tools in public office are watching for their opportunity. Always lustily decrying class consciousness, the affiliated "open shoppers" show an intense class consciousness. They thereby produce a workers' class consciousness, the very thing that their selfish interests prompt them to prevent.

The solidarity of the employers and their affiliations is so obvious that it is being noted by the wage earners, and is operating toward producing a similar solidarity among the working classes. In a recent editorial in the organ of the American Federation of Labor, referring to the strike, it was said: "All labor is in the fight with the miners to the last, and to victory." Soon the situation will be recognized by all organized laborers.

But labor is always at a disadvantage in such matters, for vast numbers are unorganized and remain uninformed as to the issues, and the vast unclassified masses, whose interests after all are identical with those of the wage earners, are frequently misled by the propaganda and deceitful slogans of their own oppressors.

ISSUES OF THE STRIKE.

Technically speaking, the coal "strike" is not a strike at all. The miners, through their chosen agents, made a working contract with their employers. The contract expired by its terms on April 1. For months prior to that time the miners sought to get the operators to enter into a new contract, but the latter declined even to discuss the matter. When April 1 arrived, the miners' contract of employment having terminated, they stopped work. The operators having been chiefly instrumental in bringing it about, the suspension of work partakes more of the nature of a lockout than a strike.

The working contract which expired on April 1 carried a provision under which it was agreed that, prior to that time, the operators and miners should meet and negotiate a new contract. However, the operators refused to perform this clause of their agreement. From time to time the miners invited the operators to meet with them. The operators either declined or ignored the invitation. It has been evident for months that they had no intention of keeping their agreement. Therefore, placing the blame for the strike, it is clear that the operators are guilty.

The issue between the miners and the operators is not one of wages or working conditions. This is shown by the refusal of the operators to meet with the miners or to discuss such matters. The miners did not want a strike. They realized that, because of the depression, they were at a great disadvantage. Their strike resources were slender. They would have made any reasonable concessions. The chief thing that the miners want is work, steady work, not a mere desultory employment. They want work every day instead of an average of about 125 days per year as at present.

But the operators are not interested in details of wages and working conditions. They want to destroy the union. The

charge that the operators are aiming at the destruction of the miners' organization is proven: First, by their refusal to negotiate touching wages and conditions; second, by the unanimous support which they are receiving from the "open shoppers," such support obviously having a union-hating basis; third, by the propaganda issued by the operators which is aimed at union practices, such as the "check-off," and is almost wholly devoted to trying to show the miners' union to be an oppressive, dictatorial, and even lawless organization.

The coal strike is the first great battle of the "open shop" campaign. If the employers win with it to-day, the battle will move to the railroad yards to-morrow and thence to the mills and shops, and so on and on as the "open shoppers" may meet with success, until every labor union in America is crushed and destroyed.

CENTRAL COMPETITIVE FIELD.

What is known as the central competitive field is composed of the bituminous mines of Ohio, Indiana, Illinois, and one district in Pennsylvania. The working contract, which ended on April 1, covered this field and fixed the wages and working conditions for all mines.

Coal from this field includes the greater part of the entire bituminous production of the United States, and the mine operatives comprise probably three-fourths of the membership of the United Mine Workers. Coal produced in this field comes into sharp competition. Therefore wages and conditions at one mine affect the ability of that mine to compete with other mines in the field. It therefore becomes necessary that the operators should produce coal under fairly equal conditions in order to find a market for their product.

The operators' plea that they can not afford to make a new contract with the miners' organization because such a contract will render them unable to compete with the nonunion West Virginia and Pennsylvania districts discloses at once their purpose to destroy the organization. They wish to place the central competitive field upon the same basis of wages and conditions as the nonunion districts. On the other hand, it is to the interest of the mine workers to include the entire field in a single working agreement, for if separate agreements are made in the various mining districts, each district may be played off against the other, just as the nonunion West Virginia districts are played against the unionized central competitive field. This principle is recognized by the operators. One of their leaders, by way of explaining the miners' object, recently said:

Settlement by States or districts would lessen the effect of their strike weapon, which they do not intend to allow under any circumstances.

WORKERS NEVER WANT TO STRIKE.

Of course the reference to strike is pure "bunk." Miners never want to strike. A strike always costs them more in sufferings and deprivation than it can possibly cost the operator. At its best it costs the miner his time, a segment of his limited period of earning usefulness, a part of his life lost beyond recall. At its worst the strike costs him food and shelter for his family, perhaps even the very lives of himself, his wife, and his little ones. Miners never want a strike for its own sake. It is

entered upon even as would be a dangerous surgical operation. A strike is war and may be justified only upon the same ground as other wars, that it is necessary in defense of liberty. Miners strike merely to show that there is a limit to what they will endure, a point beyond which they will not be driven. They strike as a punishment to their employers and in order to show them that they will not submit to oppression even though resistance shall cost them everything. Strikes are conceived of as only in part beneficial to the strikers. In the large way they are for the benefit of all labor and are based upon an outraged class consciousness.

The desire of the operator to deal with the mine workers by separate districts means that the operator intends to play off his district against his competing district—means that he wishes to place his employees in competition for employment in his service with the workers of other districts. This desire of the operator is based upon the same principle as the opposition of the "open shoppers" to all labor unions. The real consideration back of it all is to enable the employer to force separate individual workers into competition with each other in seeking to serve him, so that employment may go to the worker who will accept the smallest return. The philosophy of the "open shoppers" is to get the greatest possible amount of labor for the least possible return. That is the ultimate aim and end of their efforts.

That this end is actually achieved is illustrated by a comparison between mine workers' earnings in union and nonunion districts. I refer to the article "Wages and hours of labor in bituminous coal mining," in the Department of Labor publication, Monthly Labor Review for April, 1922, which shows the average tonnage worker's hourly earnings in the Alabama non-union district as 46 cents per hour, while the average of \$1.03 per hour is earned in the union districts of Illinois, Indiana, and Ohio.

PHILOSOPHY OF COLLECTIVE BARGAINING.

If there were as many employers as workers they might meet upon terms of rough equality, it being borne in mind that the need of the worker to sell his labor is always more pressing than is the occasion of the employer to buy. But apart from this inequality, if workers and employers were equal in number there would be little reason for labor unions. But to the extent that employers are fewer in number as compared with workers, the necessity for organization and solidarity among the workers increases.

In a simple state of industry the employer worked alongside of his hired man. Each knew the other and his problems. There were bonds of sympathy between them and a certain rough justice obtained. The worker could bargain on some sort of fair terms for the sale of his labor. When they disagreed, the worker went to some neighbor's shop and there secured employment from a man whom he knew. There was competition among employers in hiring to a similar degree that the workers were forced to compete in seeking jobs.

The Steel Corporation employs roughly an average of probably 175,000 men. The management of this great concern is

in a small group of men. They sit around a table in a banking house and there decide what the wages of their employees shall be. The execution of their decision is probably in the hands of one man. This great interest, with its vast wealth and consequent economic social and political power, is directed by a single head. In its labor aspect it is as though its 175,000 employees had organized into perfect solidarity and submitted themselves absolutely to the direction of a single leader. The manager of this great interest gives his orders, thousands of subordinates respond and devote their energies to carrying out his will. The manager never saw the worker. Perhaps he never even saw the mill, yet he gives the word which determines what house the worker and his family shall live in, what clothes they shall wear, what food they shall eat, indeed whether they shall have shelter, clothes and food at all. Upon his word may depend the fate of thousands of men, women, and children, what shall be their present, what hope of the future they may dare entertain, indeed whether they shall live or die. There is no bargaining either collective or individual; there is only the ukase of an industrial czar.

It is for this power, for the opportunity for autocratic rule over other men, that the antiunionist operators are battling. It is against this dread might of autocracy that the ragged and half-starved mine workers are struggling.

MINERS COULD NOT GIVE UP THEIR UNION.

The mine workers did not want the strike. They had all to lose and nothing to gain. But the operators demanded of them the one thing that they could not afford to give up. They could starve on, they could wear rags, they could live in tents, they might, if need be, tramp the highways and sleep in fence corners, depending upon charity—they might endure all temporarily.

They might not have bread temporarily, but their organization they could not surrender—that would have been a permanent loss. They have been years building it. It has been the shield of their defense. It has protected them from oppression. It has brought fairer wages and better conditions. Thousands who were not members of the union have been benefited. To give it up meant to lose all. It meant a slip back into conditions which remain an awful tradition.

For miners have always been an oppressed class of workers, always poorly paid, always exploited, always the victims of heartlessness and rapacity. Recruited in the main from the alien born, the illiterate, the unfortunate, and the poor, always there has been a surplus of labor. The surplus has been created deliberately by the operators. They have overmanned the industry for their own purposes. There is never enough work for all. Even under the best union conditions, favoritism in the distribution of cars and desirable places to work and other similar matters may be practiced to reward the operator's tools. In districts where the law permits company stores, the miner buys his family supplies from the operator. Usually he rents his dwelling from him. All this, as a rule, means big profits. The more families in the mining camp the more trade for the com-

pany store and the more dwellings to be occupied and at a higher rent. There is always a surplus of mine labor whenever the operator can contrive to bring it about. It means more profit to the operator, but not cheaper coal to the consumer.

PROLOGUE SPOKEN BY SECRETARY OF COMMERCE.

The tragedy of the strike moves on. Its prologue was spoken by the Secretary of Commerce on January 20 last. The stage was then set. The operators had expressed their determination not to negotiate a new contract. The Secretary then announced that the administration did not purpose to try to do anything to avert the strike. I was shocked by the complacency which characterized his statement. It was amazing in its implication that the administration regarded with indifference the prospect of this great labor controversy. I was bewildered. I wondered if Mr. Hoover and the advisors of the administration visualized what might be the outcome. I was shocked to realize what a possibly awful price the administration was willing for the Nation to pay for the operators' success in destroying the miners' organization. I lifted my faint voice in a plea that the President might intervene, that he might use the influence of his great office with the powerful interests affiliated with the operators to induce them to negotiate with the workers and to endeavor to make a new contract.

But the pleas of those who sought to avert the struggle were ignored. No real effort was made to stop the strike. The Secretary of Labor gestured in the direction of the central competitive field. But he had no program. The influence of the administration was not behind him. His passes in the air had no effect unless it might be to cause the credulous to believe that the administration deplored the strike. Over against the gestures of the Secretary of Labor were heard the rumblings of the Attorney General talking of "the preservation of order." The miners knew what the Attorney General meant in so far as he meant anything. His threat was not against operators' gunmen nor coal and iron police nor deputies nor the other private armies kept by the operators. It was not against those who would deny to the miners and their friends their constitutional rights of free speech and of assemblage. It was intended to intimidate the miners.

WAGERED UPON OPERATORS TO WIN.

The administration has wagered upon the operators to win, that the miners will not hold out long, that industry will not be seriously disturbed, that the folly and obstinacy of the operators will not greatly harm themselves. But what if the operators do not win? What if the strike goes on and on until industry is quenched and transportation halts for lack of fuel? What if the miners hold out too long? Will the administration continue hands off? Oh, no doubt the operators will be glad enough to have the Government intervene then. Efforts will be made to drag in governmental agencies to their rescue. The courts will be prostituted to miner-baiting. Will the administration use the military for their intimidation?

The tragedy of the strike moves in its second act. What will be its climax? The great, stupid public is awakening.

Probably it may soon realize its peril. Will it continue to allow the great coal-mining industry—one of the chiefest in public importance, one upon which depends the very economic life of the Nation—to be manipulated, played with, and arbitrarily directed by weak and foolish men who have shown themselves incapable of performing the trust? Or will the public assert its neglected interest in this vital industry to the end that those who control it shall be made to respond to the general public welfare?

The mine workers may lose the strike, their organization may be destroyed, they may be forced to seek other callings, their sacrifices and their sufferings may gain nothing for themselves, yet they will have won a victory if as the result of the strike the public has been made to learn its lesson—if out of their sufferings and defeat there shall come a solution of the question presented in the coal-mining industry. [Applause.]

104060—22605



"WHEN FANATICISM AND UNREASON RUN RIOT."

Banishment as Punishment for Misdemeanors.

SPEECH

OF

HON. GEORGE HUDDLESTON,
OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 5, 1922.

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 11118) to provide for the deportation of certain aliens.

Mr. HUDDLESTON. Mr. Chairman, this bill provides for the deportation of any unnaturalized foreign-born person, any alien, who may be convicted of a violation of the national prohibition act of October 28, 1919, the Volstead Act, or—

(c) Any other statute of the United States, or of a State or Territory, prohibiting or regulating the manufacture, sale, transportation, importation, or exportation of intoxicating liquors for beverage purposes.

And so forth. Aliens are to be deported, not only for violating a Federal statute but for violating a State law.

To subject aliens to deportation under this bill it is not necessary that they shall be convicted by a court of record or after a jury trial. Even a police court conviction or a conviction by a justice of the peace will provide the required basis for their deportation.

Aliens so convicted are not merely deported without other punishment. The deportation is in addition to such punishment as may be given them by the courts convicting them. After they serve out their sentences or pay their fines they are then to be deported; that is, are to be sent back to the foreign land in which they may have been born.

The bill provides for a double punishment for a crime—punishment by the court which tries the alien and punishment by the Bureau of Immigration which deports him; punishment by fine and imprisonment in this country and then by banishment to some foreign land from which perhaps the alien fled to save his life. The bill discriminates between American citizens who violate our laws and aliens who violate them. The citizen expiates his offense by fine and imprisonment. The alien for the same offense is not only fined and imprisoned but is then banished for life.

THE HIGH-WATER MARK OF INTOLERANCE.

This bill, it seems to me, marks the high tide of fanaticism and intolerance. Section 19 of the immigration act of 1917 went far beyond anything that had previously been conceived in this country in so far as deportation is concerned. The proposal now

is to extend the deportation provisions of the act of 1917 to persons who may be guilty of violating the prohibition laws, not merely the Federal prohibition laws, but the prohibition laws of any State.

I speak on this subject as one who has been a prohibitionist from boyhood, but not, as I hope, a fanatical prohibitionist, who has nothing in his mind except prohibition. I do not expect prohibition alone to save the world. But I am not willing to deport a man from the United States for violating a police statute such as the prohibition law, when I would not deport him if he had violated some law of more importance and involving more serious consequences.

WHEN FANATICISM AND UNREASON RUN RIOT.

Bear in mind that the act of 1917 fixes the period at five years after a man comes to the United States within which a man must have committed the offense for which he may be deported. Here there is no time limit. The alien may have lived here until he has raised up American-born grandchildren to manhood, and then, forsooth, because fanaticism and unreason run riot in Congress, he is to be banished to a land which he may not have seen for 50 years. And all this not for treason or plotting against the State, not for murder or theft, but merely because he is found with a flask of liquor in his pocket or is at an assemblage where forbidden liquors are consumed.

PUSHES INTO FIELD OF HYPOCRISY.

This bill not only reaches the limit of unreason but pushes into the field of hypocrisy. I say that with all deliberation. It would be indelicate for me to refer to Members of Congress or to officials of the Government, but let us refer to other men in prominent stations in society. Let us refer to the classes of wealth, prestige, and accredited culture who constitute the dominant elements in the United States. Let me ask you, gentlemen, how many of them have been guilty of violating the prohibition laws of the Federal Government or of some of the States. Many of them have their private cellars; they are the customers of the bootleggers and the rum runners; they are the "hooch hounds." They laugh at the prohibition laws. Do they deserve exile?

Let us look at this matter like sensible and honest men, and, above all, like courageous men. Will you say that an alien who sits down at a table where wine is served and perhaps drinks some of it himself—will you say that it is such a serious offense that he should be banished to some land where perhaps disorder, starvation, and ruin prevail, when you yourselves, it may be, some of you, have been guilty of a similar delinquency? If you have not been guilty I congratulate you. I want to say that some of the leaders in this land have done such things. At a recent social occasion, held in the city of Washington, and attended by some of the most prominent men in America, liquors were openly served, so I am reliably informed.

Let me say, in further amplification of the question I asked the gentleman from California [Mr. RAKER], that the alien who commits an offense does not become thereby more undesirable than the American who commits the same offense. It is the

utmost of intolerance and unreason that would mete out to him a different measure of punishment.

My position upon the subject of immigration is well known. I have voted for every measure proposed in this House which would restrict immigration. I will vote to shut the doors of this country in the faces of undesirable aliens; but the time to deal with them as foreigners is before they enter, not after they are here. When an alien leaves his native land and puts his foot upon the soil of the United States, the flag reaches out over him, and the Constitution, not merely in its letter but in its spirit as the founders of the Republic conceived it, should grant him every protection.

EXILE AS A PUNISHMENT FOR CRIME.

I am not willing, because a wave of intolerance and Chauvinism has swept over us, to punish by double penalties a man who commits a crime. I am not willing to punish any crime by banishment. You would deport the alien merely because the Constitution permits his deportation. It does not permit the deportation of a citizen who is a criminal, no matter how bad he may be. The same extreme and intolerant spirit that would deport the alien would banish the American if only it were constitutional to do so. The same spirit that lies behind this bill would drive into foreign exile those who are in opposition to those who are in the ascendancy. It is un-American; it is unworthy. We ought not to go to any such extreme. There is no occasion for it.

The spirit of intolerance which animates the bill under consideration is the same spirit which brooks no difference of opinion. It would stifle freedom of speech and of press. It would deny the right of citizens to meet together. It would correct by thumbscrew and rack all errors of religious opinion. The disposition to deport an alien for the violation of the prohibition law and yet which would condone and laugh at the offense when committed by an American citizen is the spirit of persecution rampant. It would crucify all independent minds which did not bow to it. Had it the power, it would banish native-born Americans who did not speak and think and walk in the fashion the majority might hold was proper.

Mr. JOHNSON of Washington. Where would the gentleman deport an American citizen?

Mr. HUDDLESTON. To the same place that you would deport an alien who has lived here for 50 years and lost his citizenship in his native country. Where will you deport the alien to? He has become a man without a country. Will you send him to Russia? Will you deport him to Africa? Where are you going to send him? He knows nobody in the foreign country. It is not his country. You can not compel that country to receive him back. Perhaps if received back he would be promptly crucified. Would you send a Czarist back to be executed in soviet Russia? Is that within the spirit of the gentleman's intention? Would he send a proscribed Irishman back to Ireland to be hanged? Would he send an Armenian back to Turkish murderers?

Oh, the matter of not having anywhere to send the man is an unimportant detail that should give the fanatics little pause.

Why not take his life for the difference in opinion? The same spirit of intolerance, the same spirit of fanaticism which would lead you to banish a man to some land where, perhaps, his life would be forfeited, where starvation would grip him, where disease and disaster would overtake him, that same spirit would send him to the gallows for the same offense or send him to ruin and death in any other shape.

Mr. WURZBACH. Is it not a fact that this law would also include within its terms a person who had declared his intention to become an American citizen and who had taken out his first papers?

Mr. HUDDLESTON. Oh, certainly; and that irrespective of the length of time that he has lived in the United States. [Applause.]

105108—22042

"UNLOAD IT ON UNCLE SAM"

THE DEAL FOR THE CAPE COD CANAL

EXTENSION OF REMARKS

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 2, 1922



WASHINGTON

1922

109352—22750



EXTENSION OF REMARKS
OF
HON. GEORGE HUDDLESTON.

The Deal for the Cape Cod Canal.

Mr. HUDDLESTON—

“Unload it on Uncle Sam.”

The Committee on Interstate and Foreign Commerce has favorably reported the bill H. R. 11674, which provides for the purchase by the United States of the Cape Cod Canal at a price of \$11,500,000, with the view to its operation by the Government as a tolls-free canal. As a member of the committee it was my purpose to submit an adverse minority report. However, due to delay in printing the committee hearings, same did not become available in time for me to file the minority report along with the majority report. Hence I extend my remarks in the RECORD for the purpose of expressing my views upon said measure.

Some 20 years ago August Belmont and his associate financiers conceived the plan of constructing a canal across Cape Cod so as to connect Buzzards Bay with Cape Cod Bay, and thereby shorten the water route from New York to Boston some 65 miles and avoid the dangers of passage around the cape. The canal was opened for traffic in 1914.

The venture was a purely commercial one entered into for purposes of profits. However, the hopes of its promoters were not borne out. The canal was not a financial success. By 1917 it had become certain that the canal could never earn interest on the investment. To quote the statement of Hon. Newton D. Baker, made before the Committee on Interstate and Foreign Commerce in 1920, while he was Secretary of War:

These gentlemen built this canal; they thought it was going to be a great commercial success; they found it was more expensive to build than they had anticipated. They found very great difficulty in tempting people to use it. * * * And so they came to the conclusion that there was not enough liveliness to their hope of large commercial success to justify their continuing to carry the burden, and so they came to Congress. * * * They have been seeking to get the Government to take this burden off their shoulders, and they have said, “We were patriotic in doing this; we were trying to build a great highway for the commerce of the Nation, and we find that the burden is so great that private enterprise ought not to be asked to sustain the losses that are involved in carrying it to a profitable status.” And therefore they said, “Being a public work, Congress ought to take this off our shoulders.”

THE FIRST STEP TOWARD UNLOADING.

Of course, the first step toward unloading the canal on the Government was for its owners to appeal to the commercial instincts of Boston and other New England interests. “If the Government acquires the canal, tolls will not be charged; this means a saving of 10 cents per ton on coal, and more upon other traffic—you will have water competition with the rail-

roads." These were the arguments. Civic bodies were influenced to take action. Hired solicitors circulated petitions which the public was asked to sign. Even the help of labor bodies was invoked.

Hon. John W. Weeks, then a Senator from Massachusetts, introduced a bill—the opening wedge. He succeeded in getting the Senate to accept the substance of his bill as a rider upon the river and harbor appropriations act approved August 8, 1917. The House had never considered the matter. Its committee had not heard of it. However, the conferees agreed, with a slight amendment.

The rider was ingeniously worded. It authorized the Secretary of War, "subject to future ratification" by Congress, to make a contract for the purchase of the canal, or, if unable to agree upon the price, to conduct condemnation proceedings, "the acceptance of the award in said proceedings to be subject to future ratification and appropriation by Congress." The sum of \$5,000 was appropriated to cover all expenses.

The war was on. There was a submarine scare. The Railroad Administration took over the canal under the Federal control act. Its use was greatly increased by governmental pressure. These circumstances aided the powerful interests pressing upon Secretary of War Baker. He was induced to offer \$8,200,000 for the canal and subsequently to start condemnation proceedings. An award was made in the lower court, which was reversed on appeal, so that such proceedings remain in their initial status.

Then there came a change in administrations. Mr. Baker, who had refused to pay more than \$8,200,000, went out and Mr. Weeks came in. As a Senator he had driven the opening wedge to unload the canal on the Government. He lost no time in agreeing with the canal owners to pay them \$11,500,000 for the canal.

WEEKS HAD NO AUTHORITY.

Under the terms of the act of 1917 the authority of the Secretary of War spent itself when, being unable to agree with the canal owners, the matter was referred to the Attorney General for the institution of condemnation proceedings. The ball was then passed to the Attorney General; it yet remains in his hands.

Secretary of War Weeks in making his agreement with the canal company was in the legal sense an interloper and a volunteer—he had no official authority. But technicalities of this kind did not trouble him. Promptly he agreed to buy the canal.

A bill to confirm Secretary Weeks's contract was introduced by Mr. WINSLOW, also of Massachusetts. The rider which had constituted the entering wedge was upon a river and harbor appropriation bill. The subject was one which the Rivers and Harbors Committee might well have considered. However, the Speaker, also of Massachusetts, promptly referred this bill to the Committee on Interstate and Foreign Commerce, of which Mr. WINSLOW was chairman, a committee having among its members a number of influential and respected Representatives also from New England.

Promptly again the committee laid aside its grave and important public business to consider the canal purchase which

Mr. Weeks had agreed to. The Sweet and Hoch bills to amend the transportation act of 1920, the Newton coal bill, soldier relief measures, in fact, dozens of other matters of pressing public moment were laid aside—the Cape Cod Canal took the right of way.

Behold, first to press his measure upon the committee was Secretary of War Weeks. He even argued that our Government was honor bound to buy the canal; that equity and good conscience required that Congress should approve his action. On July 26, 1917—page 5498 of RECORD—Mr. Weeks had said in the Senate:

I wish frankly to say at this time that with the information that Congress has, if the appropriation had been required for the purchase of the canal without additional information I should not have pressed it, but the monetary importance in this matter is of so slight importance that it did not seem to me there was any objection on that score.

On the strength of that statement the Senate adopted his rider. Now he says that Congress is honor bound, that we are morally bound. Yet his original measure had carried the provision that all actions taken under it should be subject to the approval of Congress.

A "NEW PROJECT"—NO PRESSING NEED.

The purchase of Cape Cod Canal has the same status for congressional action as would have a measure for the construction of the canal at the beginning. Its status is the same for our practices as though a proposal for the construction of the canal was now being brought forward for the first time. In this sense it is a "new project."

On the other hand there is no emergency. Indeed, there is no necessity for early action. The canal is now in operation. To the extent of its capacity it may be used as fully as though it was Government owned. The only difference is that now in private ownership tolls must be paid. If the Government buys the canal it will, of course, be toll free. The item of tolls is all that any interest can at present find upon which to base any pressure for purchase by the Government. In so far as there is any pressure for the passage of this bill not created in the interest of the canal owners, it is based upon the desire of certain users of the canal to be relieved of paying tolls for such use.

Upon what theory it may be urged that the Government owes the duty to the citizen to furnish him at public expense a free artificial waterway for his convenience, I confess that I am unable to see.

LARGE FUTURE EXPENDITURES.

But while the canal is already constructed and under operation it is certain that once the commercial and shipping interests succeeded in getting the Government to buy the canal they will begin to press for its enlargement. Indeed, already a principal reason given why the Government should buy the canal is that it should be enlarged to a 35-foot depth by 200 feet width and that such enlargement will not be done by private enterprise and, indeed, will not be profitable from a commercial standpoint.

Let not Congress assume that by passing this bill its advocates will be satisfied. They will use that success mainly

as a basis for pressure that further construction work at a cost of many millions of dollars shall be entered upon. It is difficult to fix the mark to which expenditures will go if we buy the canal. On this point I do not believe that I can do better than to quote what the able and respected Representative, Hon. JOSEPH WALSH, also from Massachusetts, said in the House while the subject was under discussion on August 3, 1917. Referring to the Cape Cod rider, Mr. WALSH, in whose congressional district the Cape Cod Canal lies, said—page 5731 of RECORD:

Mr. WALSH. I have voted against the bill and expect to vote to recommit it, and also expect to vote against the conference report.

Mr. SMALL. And this particular item?

Mr. WALSH. And am opposed to this item because it will involve an expenditure of over \$50,000,000 before this Government gets any benefit from it.

And mark you how the applause of the House followed upon that frank statement.

AGREED PRICE TOO HIGH.

It is not my desire to discuss at length the price Mr. Weeks proposes to pay for the canal. Mr. Baker, after careful investigation, refused to offer more than \$8,200,000 for it. He had gone into the matter exhaustively. See his report to Congress, page 213 of hearings; also see report of General Black, page 214 of hearings.

The Government had employed a firm of accountants, Price, Waterhouse & Co., who examined the canal company's books and accounts exhaustively. The direct cost of actual construction of the canal was found to be \$6,243,171.01; interest and taxes during construction, \$748,112.40; total, \$8,265,743.04, substantially the same as the amount which Mr. Baker had offered to pay. The canal company claimed that in addition to above items of direct cost they had expended \$4,787,410.67 in capital stock for rights, franchises, and services of promoters, and so forth, making a total alleged cost of \$13,053,153.71, counting the stock and bonds at par.

Mr. Baker's offer of \$8,200,000 for the canal was based upon the Report of the Board of Engineers for Rivers and Harbors. See page 218 of hearings. I quote from section 16 of said report, as found on page 221 of hearings:

While the board has concluded that \$10,000,000 would be a fair price for the canal, based upon the reported expenditures, it is not convinced that an investment of this amount is justified on the part of the United States in order to make this a free waterway. The information submitted indicates that the claimed advantages of this route over the outside one around Cape Cod have diverted from the latter only about one-fifth of its tonnage. * * * At 4 per cent, the interest on \$10,000,000 would amount to \$400,000 a year, and, allowing \$200,000 a year for the cost of maintenance and operation, the total annual charges on this basis would amount to \$600,000.

The saving to be effected by the canal is estimated by various parties interested at from 5 to 10 cents a ton. Assuming a saving of 8 cents a ton, a commerce of 7,500,000 tons a year would be required in order to make a saving equal to this estimated annual cost to the public of acquiring and operating the present canal without enlargement or further protection. This is more than one-half the total annual cargo movement between New England and points south, as estimated by Colonel Shunk in paragraph 4 of his report on May 13, 1918. (See p. 77.) Assuming that the saving should be at least double the cost to the public in order to warrant the charge upon public funds, the admissible public charge for this tonnage, which is far in excess of the traffic to be expected in the near future, should not exceed \$300,000. Sub-

tracting \$200,000 for annual cost of maintenance leaves \$100,000 for interest charges, which at 4 per cent corresponds to a capital investment of \$2,500,000. This amount, therefore, is apparently an upper limit of any justifiable expenditure by the United States to acquire public ownership for commercial purposes.

I ask close study of the report of the Board of Engineers for Rivers and Harbors from which I have quoted this extract. It shows why the owners of the canal want to sell. It shows that the canal can never be a success as a commercial proposition. It shows that no private interest can afford to own the canal.

Now, manifestly, if the canal is worth only \$2,500,000 to a private interest, it is worth no more to the Government. It can not possibly be worth more to the Government than the benefit which the general public—users of the canal—can derive from its toll-free operation. The fact that the Government is to bear the cost of owning and operating the canal is unimportant. The Government can not afford to own and operate unless its citizens—the public—derive a benefit equal to its cost of owning and operating. Such benefit, of course, may not be wholly reflected in terms of tolls-earning capacity. Subject to this thought, it is clear that any price which the Government may pay for the canal above what it could be made to earn interest upon if privately operated is excessive.

CANAL HAS SMALL VALUE FOR NATIONAL DEFENSE.

These people who are trying to sell the canal to the Government lay stress upon its value for purposes in connection with military and naval strategy. On this point I quote from letter from the General Board of the Navy dated August 19, 1916, found in section 17 of the report of Board of Engineers for Rivers and Harbors, page 222 of hearings:

The expense of rendering the Cape Cod Canal available to all types of naval vessels not only requires a considerable expenditure for enlarging it but also additional continuing expense for the maintenance of such increased size, and an even greater expenditure for the defenses that should be given an important military waterway at a salient of our coast. Such large additional expenditures are not warranted by the apparent increased military advantages of having the canal available for the passage of ships requiring a depth of over 25 feet at mean low water.

The board has no doubt of the advantages of a sufficient depth and width to permit the passage of battleships. It adheres, however, to its previous expressions to the effect that military necessity is not sufficiently great to warrant the department in urging the expenditure of public funds to that end.

The Board of Engineers for Rivers and Harbors upon this point report as follows, page 222 of hearings:

The Board of Engineers for Rivers and Harbors has no data upon which it can assign a definite value to the canal for these naval uses. As the canal is a going concern and now available for military and naval uses upon payment of reasonable tolls, there is no urgency for acquisition of the canal for these purposes, unless it is deemed essential to enlarge it to accommodate capital ships of the Navy, which is apparently not the case. The value of public ownership for any uses that can be made of the present canal would obviously be due to the saving of tolls on Government vessels.

Bear in mind that the reports from which I have quoted were made during the war period, at a time when almost anything was being done which it was claimed would promote the national defense.

AN ADMINISTRATION MEASURE.

This is an administration measure. Mr. Secretary Weeks has seen to that. As Secretary of War he pressed it upon the com-

m'ttee. He brought with him, for their influence, Secretary Hoover and Secretary Denby. They want his contract ratified by Congress.

The present administration came in upon the slogan, "Get the Government out of business," and, safe in, is giving the people a startling interpretation of its meaning. Get the Government out of business when it is profitable—get the Government into the business of lending money to railroads and subsidizing ship-owners when it is unprofitable. Get the Government out of business where in competition with profiteers and dollar grabbers—get the Government into business when no profit is probable. Get the Government out of the railroad business which would furnish transportation at a reasonable cost—get it into the business of furnishing a toll-free canal.

The gentlemen advocating this bill have a spasm whenever Government ownership of railroads is mentioned, yet they want a Government owned and free canal. It makes all the difference in the world to their principles whether the vehicle of commerce moves on rails as a freight car or upon water as a barge. They would have the Government provide a free canal, "but none but a Bolshevik would think of the Government owning a railroad," even though a charge was made for its use. So long as there are profits to be made these gentlemen are for unrestrained individualism; they view all Government ownership with abhorrence. But when the enterprise promises no reward, like the Cape Cod Canal, then it is "Unload it on Uncle Sam."

109352—22750



Answer to President Harding's Address Upon the
Coal and Railroad Strikes.

SPEECH

BY

HON. GEORGE HUDDLESTON,
OF ALABAMA,
IN THE HOUSE OF REPRESENTATIVES,

August 21, 1922.

MR. HUDDLESTON. Mr. Speaker, it has now been six days since the House convened at the end of the vacation. During that time, notwithstanding the national crisis accompanying the coal and railroad strikes, the Republican leader has been unable to assemble a quorum of the Members. We have done absolutely nothing toward performing the public business. Upon last Friday, August 18, the President addressed a joint session of Congress upon the coal and railroad strikes. Each day I have sought an opportunity to express my views upon the address, but until the present it has been denied me by the majority.

As the President spoke I felt that I knew the unfavorable impression which his address would make upon the laboring men of the country. My thought then has been confirmed during the interval which has elapsed. There have come to me many expressions of indignation and disappointment at the President's statements and the attitude from which he spoke.

I heard the President's address with great sorrow. It made me tremble for the future of my country. I was compelled to visualize the consequences which may follow. The message comes as a firebrand in a house of tinder.

The great employers and financiers are already fired by a class consciousness such as has been heretofore unknown. They appear to have conspired together to put labor under foot, to be determined to drive on with their harsh processes of force until they have the workers completely at their mercy. These powerful groups will draw encouragement from the President's utterances. They will be encouraged to follow on in their headlong and harsh course.

On the other hand, the pressure which has been brought to bear upon them is forcing upon men who work for others something of group consciousness and responsibility. The situation between these great opposing forces is critical—it is even perilous to our national welfare. The President's speech will add fuel to the flame and serve to aggravate the already dangerous situation. Carried to their logical extent, the President's arguments will lead not to peace but to strife; not to compromise but to conflict.

PRESIDENT'S ADDRESS UNTIMELY.

I listened with deep attention to the President's address. I can but characterize it as most untimely. It appears that the coal strike is about to be settled, yet only a small percentage of

the disputants have actually agreed. The final effort to settle the rail strike is now at its climax. If settlement fails, it seems probable that other classes of railroad employees will be involved and that a nation-wide stoppage of trains may occur. The strike may easily run to proportions as disastrous as a national war. The President's projection of partisanship and misleading propaganda into the already difficult situation may cause all efforts at settlement to fail.

The evil result which may flow from the President's address is to make worse the present critical situation. Against the deadly harm which may come from the address, contrast the puerile proposals which are made the excuse for it: A coal investigation—what will it avail? It may a year hence afford a basis for legislation—the present situation it can not hope to touch. A coal-distributing agency, which the President states will perhaps handle no coal—a mere gesture against profiteering, vague, intangible, not real price-fixing with “teeth” in it. An act for the protection of the treaty rights of aliens. Why such an act at this time? What has it to do with labor disputes? Oh, it will enable Federal courts to take jurisdiction of strikers charged with violence against aliens, that is why it is desired. The President said so himself.

No; the proposals mentioned in the address are not its reason—they are merely its excuse. The real purposes of the message are: First, for partisan political purposes, to still the rising storm of public criticism of the complacency with which the administration allowed the strikes to come on and the lack of courage and intelligence with which the administration has met them; and, second, to carry on a propaganda against the strikers by discrediting the merits of their cause and holding them up as violent and murderous men.

“THE PRESIDENT IS AN OPEN-SHOPPER.”

I heard the President's message in the light of the views upon labor issues which he has heretofore expressed. I weighed its every syllable. I noted the emphasis upon each phrase. I marked his expression during its delivery. I am irresistibly borne to the conviction that, whether so intended or not, it marks his definite alignment with the open-shop movement. It is impossible, from what I heard and saw, to reach any other conclusion. The President is an “open-shopper”—he believes in the movement—he is supporting it—he is lending the great powers of the Government to its consummation. His gesture of toleration toward labor unions becomes meaningless in the light of the hostility shown in every method, mannerism, emphasis, and argument.

Antihunion propagandists will find the President's address most valuable. They will quote from it gleefully. I predict that they will circulate by tens copies of the address and of extracts from it.

The address was full of the methods of the propagandists as they were so highly developed during the World War. There was the front of impartiality upon a basis of deadly distilled partisanship. There was the reiteration and magnification of alleged cruelty and violence by which the merits of an enemy's cause are sought to be obscured. There was the platitudinous

phrase intended to weaken the enemy's morale. There was the commendation of treachery to the enemy's cause. Surely such talent should have been recognized by our Bureau of Public Information.

The President commended the loyalty of those members of the shop unions who remained at work when their fellow craftsmen quit. Remember that these men had voluntarily joined the unions. They had pledged themselves with their fellow employees to strike upon a lawful decision being made to that end. They breached their pledged faith, and they did it for their own promotion, so the President says. That action in his mind merits the word "loyally." Men have always despised those who broke faith, who betrayed their fellows. Traitors have been hated in all lands and times. It was his breach of faith that makes Judas as the most despicable of all creatures. Informers, spies, and betrayers have always been despised, even by those who used them, and yet for black treachery the President "loyally" uses the noble word which we employ to describe faithful service of our country.

"I AM THE STATE,"

The attitude from which the President spoke is well disclosed by his use of the words "Government" and "I." He used them interchangeably and as synonyms, choosing the one or the other merely as a matter of rhetoric or to avoid tautology. The President might well have referred to himself as the "administration." He is not the Government. In using "Government" as meaning the administration he forgets America in his Old World phraseology. There is no "Government" in or of the United States except that composed of three coordinate branches, of which the President represents only one—the Executive.

In the United States "Government" means Congress, the courts, and the administration. It is a gross presumption for an Executive to assume that he is the Government; that he speaks for the Government, or that he has authority "to use the power of the Government." The President will not use "all the power of the Government to maintain transportation and to sustain the right of men to work." He will use for such purposes merely such authority as Congress has granted him for that purpose. Beyond that the President's peroration is merely idle bluster and rotund platitude.

In his closing words the President promised "to use all the power of the Government to maintain transportation and sustain the right of men to work." Let me remind him that he has no authority in connection with transportation other than such power as Congress, under its constitutional warrant "to regulate interstate commerce," has granted to his office. Let me further remind him that neither President nor Federal Government has any constitutional warrant to protect strike breakers.

The American system of sovereign separate States yet remains. The States having reserved their police powers to themselves are exclusively charged with the preservation of public order. The Federal Government has no right to intervene for the restoration of order except under section 4 of Article IV of the Constitution in the exercise of the Federal duty to guarantee "a republican form of government," to protect the State "against invasion," and, when invited by the State authorities, to protect the State "against domestic violence." The statutes

under which the President may intervene under this section are strict and narrow. In no aspect of the Constitution or law can the President use any of the Federal power for intimidating strikers or for protecting strike breakers. There is, of course, the Federal authority to protect the mails and other property of the Federal Government.

Any attempt upon the part of the President to intervene in the domestic affairs of a State or to busy himself in the preservation of order which may not be in strict conformity to the Constitution and statutes will constitute an usurpation far more serious in its consequences than any disorder of which irresponsible strikers or other persons might be guilty. Such an usurpation, as an act of lawlessness committed by the Chief Executive, would be an offense against our civilization which would overshadow any possible situation of violence at which it might be aimed.

As a statement of the facts concerning the causes for the coal and rail strikes and their progress, the address may be compared to the effort of an adroit plaintiff's attorney. The grievances of the workers were minimized or suppressed while the actions of the employers were placed in a favorable light. Important causes and incidents are ignored entirely. Other factors are exaggerated until the uninformed observer is able to see only a wildly distorted reflection of the true situation.

FACTS AS TO THE COAL STRIKE.

To set the record straight let us examine the facts concerning the coal and rail strikes. By the contract between the coal operators and miners, which expired on April 1, both parties agreed that prior to its expiration they would negotiate for the making of a new contract. The operators refused to comply with this agreement. The President's statement that the miners declined the administration's invitation is most misleading. The miners did not decline; their officials replied that they had no authority to negotiate prior to the national meeting. At that meeting the requisite authority was given, and the miners' officials promptly invited the operators to a conference. The invitation was flatly refused. Again and again the miners' representatives sought a meeting with the operators. Always the latter declined, and so the strike came on.

The President would clear his skirts by recalling the feeble pass made by a member of the administration nearly a year ago, before the miners' officials had authority to negotiate. He ignores the administration's "do nothing" policy during the long following months, when every well-informed person realized that a strike was impending. In January last, in a speech in the House, I called attention to the threatened strike and to the disaster to the public interest which would follow. I implored the President to use the influence of his office to induce the operators to meet and talk with the miners. I then said that—

common good will and loyalty to the public welfare and to his country demand that the President shall do all that in him lies to prevent this great catastrophe. I say that if the President allows this strike to come on without using his influence with these oppressive employers, without asking the intervention of Congress, without lifting his hand, without doing anything whatsoever, he will mark himself so that he will be known throughout the history of our country.

What I deplored transpired. It remains to be seen whether those responsible will escape the odium which should attach to their conduct.

The real truth about the administration and the coal strike is that the operators had long been seeking a chance to destroy the miners' union. It was their wish that the strike should occur. They desired that the President should not interfere. Some 60,000,000 tons of coal were in reserve. Almost nobody believed that the miners could hold out beyond 30 days. There was plenty of coal for that period. No one would be hurt except the miners themselves, for the operators would be able to sell their reserve coal at an advance.

The administration was complacent toward the coal strike and made no real effort to avert it, because they believed that the operators would win. It was only in June, when production had been cut to a minimum and the reserves were almost exhausted, that the President waked up and began to take an interest in the strike. It was only when the operators and his other big-business friends began to suffer—it was only when the wrong man was down and the ragged and starving miners showed no signs of surrender—that the President intervened.

The President's intervention in the coal strike was practically a proposal that the miners surrender. When they declined he hurled a proclamation like a Jovian thunderbolt at their heads and mouthed threats of soldiers and such stuff. But the miners stuck on. Soldiers dig no coal. There were few strikebreakers for them to guard.

COAL STRIKE WHOLLY UNNECESSARY.

The intervention in the coal strike proved a fiasco, and now a settlement is being made, the same settlement that might have been made months ago. The coal strike was wholly unnecessary. It was undesired by the miners. The pity is that it has caused the poor workers so much suffering. It will cause greater suffering to the public during the coming winter. The blame for it all should be placed, first, upon the operators, whose sole purpose was to destroy the miners' union; and, second, upon a supine national administration, which, out of deference to captains of finance and industry—its friends and advisers—allowed the coal strike to occur.

The rail strike has been threatened for more than a year. It is not about a matter of mere wages, as represented in the President's address. The strike ballots submitted three issues to the workers: "First, the establishment of unjust wages by the recent decision of the Labor Board"; "second, the establishment of unjust working conditions through the amendment by the Labor Board of certain rules of the national agreement"; and, "third, the contracting out of shops and work by a large number of railroads as a means to evading the application of the law to their properties." A strike was voted upon each issue by from 94 per cent to 97 per cent of the workers. Their officials had no alternative but to comply. But it must be understood that the strike vote was cast out of the exasperation of the employees caused by many acts of oppression committed against them by the railroad executives. The employees had been exasperated beyond endurance by the deliberate violation of their rights and by the evasions, floutings, and violations of the Esch-Cummings Act.

THE SOCIALISM OF WALL STREET.

The Esch-Cummins Act was the longest step into socialism ever taken in America. I apologize to all decent socialists for saying this, for the socialism of the Esch-Cummins Act was the socialism of Wall Street. It was a savagely distorted socialism, not a socialism for the public welfare but a socialism for private gain. Under that law, with its mandate for rates which would yield a profit upon hundreds of millions of watered stock, there was in effect a public ownership, but it was a public ownership under private control and for private and selfish purposes. It was in a sense the equivalent of a purchase of the railroads from the Public Treasury, leaving them under the management of wasteful and incompetent executives who had no public responsibility.

The labor sections of the Esch-Cummins Act were forced into it against the unanimous opposition of the employees. The general public neither knew nor cared anything about these sections. The hand that wrote them was guided by the owners of the railroads.

Having written the labor sections of the Esch-Cummins Act, it would have been believed that the railroad interests would be prompt in obeying them, but such was not a fact. They had written the law; why should they be expected to obey it? They considered themselves above the law. The law was for the workers, not for the executives.

CAUSES OF RAILROAD STRIKE.

And so we find that instead of obeying the labor sections of the Esch Cummins Act, the railroad interests promptly ignored them. From the very beginning great systems like the Pennsylvania, the New York Central, and the Erie began to farm out their shop work to cost-plus contractors at a cost greatly in excess of their own shop costs. This maneuver was performed largely for the purpose of enabling them to discharge shop forces. The Altoona shops of the Pennsylvania were largely shut down during the summer of 1920, while the Pennsylvania's locomotives were being repaired by the Baldwin Locomotive Works. This was during the Government guaranty period. It cost the railroads nothing. Uncle Sam paid the loss.

From the very beginning the railroads carried on a nationwide propaganda against the employees. Its purpose was to put them in a bad light before the public, to break their morale—in short, to prepare for "the day." The employees were represented as having been unpatriotic during the war, being war profiteers, as receiving excessive wages, as being un-American, and as political radicals. Even the prejudice against aliens was used against them. Blame for excessive rates and charges was placed upon them. In short, neither time nor money was spared to humiliate, ridicule, discredit, and undermine the employees. All this in preparation for the strike which has now come.

Provocation after provocation was given the employees. More than 90 railroads of the United States, beginning in 1920, have violated the labor sections of the Esch-Cummins Act. Take the case of the Atlanta, Birmingham & Atlantic, which has a terminal in my home city. Eighteen months ago the general manager posted an arbitrary reduction in wages. The employees protested to the Labor Board, which set aside the railroad's arbitrary action and directed it to confer with the

employees. The railroad promptly caused a collusive suit to be filed in the Federal court by a creditor whose debt was not yet due. Its general manager was appointed receiver, and in that capacity enforced the cut which as general manager the Labor Board had denied his right to do. The railroad refused to obey the order of the Labor Board. It "struck" against the Labor Board and against the Government.

HOW THE PENNSYLVANIA STRUCK AGAINST THE LABOR BOARD.

More than a year ago the Pennsylvania made an arbitrary change in service rules. On complaint of the employees, the Labor Board suspended the change in rules and ordered the railroad to confer with its employees as to same. After various evasions and attempted frauds upon the law, the Pennsylvania ignored the final order of the Labor Board entirely, and when the board sought to publish its decision as an appeal to public opinion against the railroad's lawlessness, the Pennsylvania obtained an injunction forbidding the board from even so much as expressing its opinion of the railroad. After long months, the court of appeals has now held the injunction to have been unlawful and the railroad has now appealed to the Supreme Court, with further indefinite delay. A year ago the Pennsylvania "struck" against a decision of the Labor Board.

The practice of railroads farming out their shop and other work began with the Erie's Hornell shops some 18 months ago, and has been followed by some 50 railroads, including such important systems as New York Central, Great Northern, Chicago & Alton, and Big Four. This practice is yet being persisted in, although the Labor Board has declared it unlawful.

I will not attempt to deal with the multitude of grievances of which the employees complain. The strike vote was given more out of exasperation than anything else—out of resentment caused by a long series of oppressions and injustices. It speaks more than anything else the employees' determination not to go any further.

The employees hated to strike. They did not want a strike but they were desperate. Their grievances remained unremedied by the Labor Board and unnoticed by the national administration and by the general public. There was also another great moving cause, and I believe that I should frankly state it. The employees believed that the Labor Board had been deliberately packed against them and that they could expect neither justice nor fairness from it. Any opinion as to the strike not formed after considering all of these factors must be warped and inadequate. The employees felt themselves forced to strike, that it was the only thing left for their defense, that their backs were to the wall and that it was either fight or abjectly surrender to the arbitrary whims and dictation of the railroad executives.

FAIRCAL MANEUVERS TO SETTLE STRIKE.

The administration's maneuvers in connection with the rail strike have been farcical. The strike has been brewing for months. The railroad executives wanted it so that they might destroy the unions. For them it was even delayed too long so that there was a measure of business recovery which took many idle workers from the labor market. Everyone who understood

the temper of the workers and the exasperations which they had suffered realized months ago that a strike was inevitable. The administration alone seems to have been oblivious to the threatening storm. No effort whatever was made to avert the strike. No influences for mediation were put on foot.

When the strike was already weeks old the administration waked up to the situation. Conferences were had—a settlement which the President approved as fair, just and reasonable was proposed. The proposal safeguarded the employees' cherished seniority rights, and while they objected to its other features, they agreed to accept. But the railroad executives spurned compromise. The idea of admitting the employees back to the shops under the same conditions as when they had quit was hateful to them. They demanded a surrender. They insisted upon the right to use the seniority privilege as a reward for the treachery of those who had remained at work and for the strike breakers who had slipped in to take the jobs of their fellow workers. They wanted to use the seniority privilege as a punishment, to hold it as a penalty over the heads of transportation employees and other crafts who might hereafter be tempted to strike.

The executives rejected the seniority proposal. Thereupon the President complacently changed his proposal so as to meet the views of his friends, the railroad managers. He took from the settlement the one thing on which the employees had based their all and calmly invited them to agree to leave the seniority issue to the Labor Board. He seemed not to know that the Labor Board had already decided the matter by its proclamation of July 4, outlawing the strikers. The President invited the employees to leave the decision of their case to a board which had already decided it. Think of it!

Of course, the employees did not accept. The terms offered them were little better than if they had lost the strike. They were invited as organizations to kiss the ground under the feet of their unfaithful fellow workers who had refused to strike and of strike breakers who had robbed them of their jobs while they were not looking.

The most dangerous feature of the situation is that the railroad employees feel that the strike has been deliberately provoked, that it was desired by the executives and great financial interests which controlled the railroads. They feel that the struggle in the railroad shops is a twin with the coal-mining dispute, that both are the fruit of the determination of big business men and financiers to destroy all labor unions. This view is generally shared by organized workmen at large. All view the coal and railroad disputes as merely separate battles of the one great war which is being made on unionism, and believe that the next conflict will probably be with other organizations of railroad employees and that the struggle will proceed as the antilabor forces may be successful from mines and shops into other industries wherever unionism may be found, until organized labor is finally vanquished and destroyed.

I warn those who press forward with their harsh processes against the laboring men of America. I beg them to stay their hands. Their own enlightened self-interest demands it. Every patriotic impulse cries out against them. Every instinct of humanity bids them to forbear.

HOW FORD'S OFFER FOR MUSCLE SHOALS WAS PUT TO SLEEP

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

WEDNESDAY, SEPTEMBER 20, 1922



WASHINGTON

1922

12600—23226



SPEECH
OF
HON. GEORGE HUDDLESTON.

Mr. HUDDLESTON. Mr. Speaker, the devious methods by which Henry Ford's offer for Muscle Shoals has been played with, evaded, and finally put to sleep present a striking instance of the influence which the invisible powers of monopoly, big finance, and big industry exercise upon our Government. They also illustrate political chicanery in its most perfect development.

The Government constructed nitrate plant No. 1 and nitrate plant No. 2 near Muscle Shoals at a total cost of \$85,000,000. These plants were complete and ready for operation in February, 1921. The Government had also expended to that time about \$17,000,000 in constructing at Muscle Shoals a dam and power plant designed to furnish power for the operation of the nitrate plants.

REPUBLICAN LEADERS VOTED TO JUNK MUSCLE SHOALS.

In February, 1921, the war being ended and the immediate need for munitions having passed, the question was presented to Congress whether an additional appropriation to complete the dam should be made. In both Senate and House of Representatives the Republicans were in control with a substantial majority. The issue was squarely presented in the House by a motion that the House concur in the Senate amendment to the sundry civil bill, by which amendment \$10,000,000 was appropriated for further work on the dam. The question was fully debated. Leading Republicans, such as GOON, chairman of the Committee on Appropriations, and LONGWORTH, of the Ways and Means Committee, opposed any further expenditures and frankly advocated abandoning the dam and junking the two nitrate plants. A yea-and-nay vote was had (CONGRESSIONAL RECORD, p. 3878, February 25, 1921). The result was 182 yeas and 193 nays. The Republican leaders, such as CAMPBELL of KANSAS, CANNON, DEMPSEY, FESS, FORDNEY, GOOD, LONGWORTH, MONDELL, SNEEL, TOWNER, VOLSTEAD, and WINSLOW and those who followed them, voted "nay" and thereby indicated their decision to "junk the works."

The Republicans having decided not to complete the Muscle Shoals plants, the Harding administration sought to find some private interest which would take over the nitrate plants and the unfinished dam. For months none could be found to make an offer. Finally, on July 8, 1921, Henry Ford made his offer to buy the nitrate plants and to lease the dam when completed. I will not deal with Ford's offer in detail—it has been both criticized and approved—it is fair to say that it is agreed by all sides that his offer is the best that has yet been made. If we had offered the works to the highest bidder, good faith would require that we accept Ford's offer.

FORD WAS OFFENSIVE TO ADMINISTRATION.

But Ford was personally offensive to the Harding administration. He had contested the election of NEWBERRY, the President's personal friend, and had greatly embarrassed the Republican leadership. He had flouted and antagonized the financial interests of Wall Street. He frankly avowed his purpose at Muscle Shoals to compete with certain great industrial interests dear to the administration's heart. Ford's offer met with immediate public approval, but Secretary of War Weeks carried on a propaganda against it and although admittedly without power to accept it, delayed transmitting it to Congress for seven long months, until February 2, 1922.

When the House committee took up Ford's offer for consideration Mr. Weeks promptly presented himself in opposition. He was followed by others who spoke for the great selfish interests to whom Ford was distasteful. The subject was probed by the committee for four weary months but was finally reported to the House by H. R. 11903 and placed upon the calendar on June 9, 1922.

But placing the Ford bill upon the House Calendar did not secure action upon it. Action was a matter under the control of the Republican steering committee. They were opposed to Ford's offer. They did not allow it to come before the House because they feared that a majority of the Members favored it. Though the Republicans have a majority of more than 2 to 1 in the House there has always been a substantial number representing agricultural districts who have not bowed to the leaders in opposing the Ford offer.

Ford's offer has been widely discussed in the press and elsewhere since it was submitted. Disinterested public sentiment largely favors accepting it. The farming interests, seeing the promise of cheaper fertilizers, have earnestly insisted upon the offer being accepted. Public opinion, generally, has been for months demanding that Congress take some action upon the subject.

DELAY AND EVASION—THE CUE.

In the meantime the November election was in the offing. Republican leaders feared the result of their obstinate refusal to allow Congress either to accept or reject the offer. They were in a predicament. If they voted to accept Ford's offer they would antagonize the great selfish interests which were opposing Ford. If they voted to reject it they would excite the wrath of the farmers, laborers, and others who were favorable to Ford. Their cue, as they caught it, was delay and a subterfuge which would release them from the pressure of public opinion.

In this state of the matter the Norris amendment to the War Department appropriation bill was presented. It authorized the expenditure of \$7,500,000 for further work on the Muscle Shoals dam. Of course, its author was sincere. The amendment expressed his view of what should be done. He has frankly advocated the completion of the Muscle Shoals works and the operation of same by the Government in the production of munitions. His amendment logically carried out its author's views upon the subject. But, strange to say, the amendment was supported by those opposed to Government operation—by

those who had advocated abandoning Muscle Shoals and junking the plants—in short, by the anti-Ford groups.

NORRIS AMENDMENT PRESENTED AS AN ADMINISTRATION MEASURE.

The Norris amendment was considered in the House on June 24, 1922. Weeks prior to that time the Associated Press had carried what purported to be an article inspired by the White House, stating that the President was opposed to Ford's offer. A denial of the authenticity of the statement was promptly made by those who assumed to speak for the President. However, when the Norris amendment came up in the House, word was passed to the faithful that it was an administration measure; that the President wished it adopted without change; that its purpose was to put Ford's offer to sleep and to relieve Republican leadership of an embarrassing situation. The word was passed as an expression from the President. Prominent Republican Members, who had been expected to aid in an effort to change the Norris amendment so as to provide for accepting Ford's offer, bowed to party regularity. They did not desire to be put in the attitude of openly opposing the President. The situation warranted the belief that the Associated Press report of the President's attitude toward Ford's offer was authentic and fully authorized.

Upon the Norris amendment coming up in the House it was clearly recognized what the effect of its adoption upon Ford's offer would be. It would well furnish an excuse for further delay in acting upon the offer. We sought to have the amendment changed so as to recognize Ford's offer. A prominent Republican Member, who was favorable to Ford, had consented to offer an amendment. However, he found himself unwilling to do so in the face of the administration's attitude. The matter had actually been called up in the House before Ford's friends learned that their plan had miscarried.

The Norris amendment was about to be submitted without change when Mr. JAMES, of Michigan, an antimachine Republican, offered an amendment which postponed the availability of the \$7,500,000 appropriated until October 1. I felt that the James amendment did not sufficiently express the position of Ford's friends. I thereupon offered as a substitute the identical amendment which had been drawn by the Republican Member who had at first consented to lead the Ford forces.

My amendment may be found on page 10103 of the RECORD. It provided that the appropriation should not become available until Ford's offer had been acted upon. The purpose of my amendment was obvious, first, to obtain an expression from the House in favor of Ford's offer, and, second, to defeat the purpose of delay and evasion which was back of the administration measure.

Upon a vote being taken, my amendment was lost by 118 yeas against 132 nays. And think of it, among those voting "nay" were CANNON, DEMPSEY, FESS, FORDNEY, MONDELL, SNELL, TOWNER, VOLSTEAD, and WINSLOW, all of whom had voted the year before to abandon Muscle Shoals and make no additional appropriation. They were followed by practically every Republican Member present who had voted with them on the previous occasion.

FORD'S OPPONENTS DO NOT FAVOR GOVERNMENT PRODUCTION OF NITRATES.

My amendment having been defeated, Mr. JAMES's amendment, which, without any expression upon Ford's offer, merely postponed the availability of the appropriation until October 1, was adopted by a vote of 145 to 105. Again, did the same Republican leaders and the strict administration supporters vote in the negative. I am safe in saying that not one out of five of those who voted for the Norris amendment favors Government operation of the Muscle Shoals plants. To the contrary, they look on Government ownership and operation with extreme aversion, almost horror.

My views upon the Norris amendment were expressed in my remarks found on page 10113 of the RECORD—June 24, 1922—as follows:

Mr. HUDDLESTON. Mr. Speaker, * * *. The effect of the adoption of the Senate amendment without change will be anti-Ford. The test is being put to you here to-day. If you favor the development and operation of Muscle Shoals under the Henry Ford offer, vote for the substitute which I have presented. If, on the other hand, you want to kill the Ford offer, vote against the substitute.

The Senate amendment is merely a piece of hypocrisy. Its real purpose is to make an excuse to the people of this country for 12 months of inaction, to excuse your failure to act on the Ford offer for 12 long months.

If you want to pretend to do something without really doing anything, vote against the substitute. If you want to make a pretense that you want the Government to develop and operate Muscle Shoals as a great water power when really in your souls you want to turn that great national asset over to the Fertilizer Trust, to the Aluminum and the Power Trusts, vote against the substitute. If you want to do the work of the great financial and business interests that are fighting Henry Ford, then vote against the substitute. The choice is yours.

If it were really true that those who advocate the adoption of the Senate amendment without change wanted the Government to actually operate the Muscle Shoals plant for the people, there would be less reason to oppose them. But we know that they have no such genuine purpose. We well know that the powers which are now in control of the Government hold to no such purpose. We know that the present move is only a bluff. We know that the real object in view is to kill the Ford offer and then to turn Muscle Shoals over to the Alabama Power Co. or some other exploiting interest.

Mr. MONDELL, the Republican leader, in his reply to my remarks, said:

Mr. MONDELL. Mr. Speaker, to paraphrase the gentleman from Alabama but not follow his lame logic, I say if you want to start the Muscle Shoals development, vote to concur in the Senate amendment; if you want to delay the Muscle Shoals development, vote for the amendment offered by the gentleman from Alabama. That is the proposition before the House right now.

PLENTY OF TIME TO CONSIDER FORD'S OFFER.

There was in Mr. MONDELL's statement the clear implication that the adoption of the Norris amendment would not be permitted to affect the Ford offer, that no delay in considering the Ford offer would be caused, and that the offer would be considered in due and regular course. But what transpired? On August 15 the House reassembled after recess. Day after day passed with the transaction of little or no business. The House merely met and adjourned. Even three-day recesses were taken. Members began to press openly for action on Ford's offer. Finally, on August 24, the following occurred (see RECORD, p. 12791):

Mr. GARRETT of Tennessee. I will ask the gentleman from Wyoming if it is in contemplation that there shall be a vote at any early date upon the disposition of the Muscle Shoals property?

Mr. MONDELL. Well, so far as I am acquainted with the views of the Members on this side—and I am guided wholly in my attitude by the views of the majority of the majority—I do not believe that it is desired that there should be an early consideration of the Muscle Shoals matter. I think the majority on this side believe that for the time being the Muscle Shoals situation is taken care of by the provision made for the continuation of the work on the Wilson Dam.

Again:

Mr. GARRETT of Tennessee. The limitation was placed on the use of the appropriation in order that the Congress might have an opportunity to pass on the final disposition of the matter. Now, there is no reason why it should not be considered at once. The Committee on Military Affairs has reported, and there are three reports. I am not now advocating any particular report. What I am asking is that the House shall now have an opportunity to pass upon that matter.

Mr. MONDELL. The House will pass on that matter in due time, as soon as it is necessary to do so. In the meantime we have provided for the continuation and development at Muscle Shoals. That is all that could be done if we were to act upon the reports.

Note that Mr. MONDELL said:

I do not believe that it is desired that there should be an early consideration of the Muscle Shoals matter. I think the majority on this side believe that for the time being the Muscle Shoals situation is taken care of by the provision made for the continuation of the work on the Wilson Dam.

Compare this statement with Mr. MONDELL'S statement on June 24.

And now the House is about to adjourn for the session. In the belief that public opinion has been quieted, no action upon Ford's offer for Muscle Shoals is to be taken until after the November elections. When Congress meets again the Republican leaders will be free. They will be secure from the wrath of the people. They will have a free hand to ignore Ford's offer, to postpone consideration indefinitely, or to reject it outright.

THE PEOPLE SHOULD UNDERSTAND.

The thing which the people should be made to understand is that the House has had plenty of time during the past 40 days in which to act on Ford's offer—to accept it or to reject it. We might well have considered it. The privilege of considering the Ford offer has been deliberately denied to the House by those who are in leadership upon the Republican side. This can not be disputed by any candid and sincere man.

There may be those among the people who are credulous enough to entertain the hope that when Congress comes back at the December session the Ford offer will be fairly considered and acted upon. Let me say to them that such is not the purpose of those who are in control of the majority of Congress. It is not intended that the Ford offer shall ever be accepted. To the contrary, the plan is to tire down Ford's friends and the public who are insisting upon action and finally, when public attention has wandered from the subject, to deliver Muscle Shoals and all the great wealth of resource and development which it represents to some one or more of the grasping monopolistic interests who are seeking it.

Ford would manufacture fertilizer at Muscle Shoals; he would cheapen its price—therefore the Fertilizer Trust does not want him there. He would make nitrates—therefore the Powder Trust is opposing him. He might be found in competition with the Aluminum Trust—therefore the beneficiaries of

that monopoly do not want him at Muscle Shoals. He would finance his own enterprises without paying toll to Wall Street usurers—therefore the powerful financial interests of the country would like to throttle him. He would pay better wages as a competitor in the southern labor market—therefore reactionary employers and exploiters of cheap labor are against him. He would bring a new, powerful, and disinterested influence into the southern political field—therefore crooked politicians, machine men, and the “Old Guard” would keep him away.

Let it be remembered that all those who have fought to keep Ford away from Muscle Shoals have played the game of the selfish or unscrupulous interests which would be affected if his offer should be accepted.

As usual, invisible government wins.

12600—23226



FOR THE RELEASE OF POLITICAL PRISONERS

SPEECHES

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

DECEMBER 11 and 14, 1922



WASHINGTON
1922

25184—23391



SPEECHES
OF
HON. GEORGE HUDDLESTON.

FOR THE RELEASE OF POLITICAL PRISONERS.

Monday, December 11, 1922.

Mr. HUDDLESTON. Mr. Speaker, I have no personal knowledge of the case of this man Magon. I assumed that it was similar to the cases of other men who are being held in prison for having expressed their sentiments during the war. Their sentiments did not meet with my approval. I did not share in them. It may be that they were foolish, it may be that they were wicked, nevertheless I have no hesitation in saying that the war is now over, and now that every civilized country in the world has released its political prisoners I see no reason why the United States should lag in the rear and appear the most tyrannical of all peoples.

Mr. MONDELL. From what standpoint does the gentleman refer to these men as political prisoners?

Mr. HUDDLESTON. As men who were not in accord with the purposes of their Government during the war. They expressed themselves against the espionage act and conscription and criticized various other harsh and oppressive measures which the gentleman from Wyoming [Mr. MONDELL] rejoiced to support during the war.

The gentleman from California shows the poverty of his case by undertaking to say what this man Magon did in Mexico while a citizen of that country.

Mr. LINEBERGER. I hope the gentleman will not misquote me.

Mr. HUDDLESTON. The gentleman from California said that this man had been engaged in publishing an anarchistic paper in Mexico. He retailed hearsay charges as to what Magon had done before he came to the United States.

Why did the gentleman charge Magon with violating the laws of Mexico if he had a good case against him in this country? Why did not the gentleman confine himself to the acts of Magon in this country?

Mr. LINEBERGER. I wanted to show that he was an anarchist.

Mr. HUDDLESTON. No; the gentleman was trying to prejudice the public against Magon, who is now dead and can not answer him and to embarrass Members of Congress who allowed their names to be used to get a meeting in Magon's memory. That is the reason the gentleman brought in this hearsay and extraneous matter. He sought to blacken Magon's name, to damn the dead man so as to discredit those who countenanced

the meeting so that all others might be intimidated from taking a part in similar meetings.

No, there was no purpose to deal fairly. If this man committed an offense against the United States as the gentleman from California wants to make it appear that he did, why did he not produce and read the disloyal or anarchistic article Magon was charged with publishing and let it speak for itself? Why did not the gentleman produce the indictment against him? Why did he not confine himself to the facts contained in the record? The gentleman has obtained leave to extend his remarks—he has plenty of time in which to get the papers. I now challenge the gentleman to put in the Record in his extension of remarks the article which Magon is said to have published. If he wants to be fair he can not fail to do so.

I would like to see the indictment against the man. I know nothing about the facts in Magon's case, and it may be that everything the gentleman from California tries to make you believe is true. But he contents himself with generalities, vague charges, and calling Magon names. I demand the facts.

It may be proper for us to put a man in the penitentiary and leave him to die there because he was an anarchist while in Mexico. It may be more proper to put a man in the penitentiary for having expressed certain sentiments in this country. But it seems to me that those who believe it is right for men to be put in jail for expressing their opinions need to go back and read the first amendment to the Constitution, before they begin to pose as super-Americans and patriots. This is a time of peace. Men ought not now be in jail merely because they did not agree with the majority during the war.

Some of the superpatriots of this country, some of the "unco guild," were themselves guilty of excesses during the war. There were many of them who took occasion to rob our Government and profiteer on our people during that time of distress. Let us prosecute them and put them in the penitentiary, and not confine ourselves merely to prosecuting men who did not happen to think we had sufficient cause to go to war or that we ought not to have passed certain harsh and oppressive laws in connection with carrying on the war.

No, Mr. Speaker, the very ones who are most bitter and vituperative against those who expressed their opinions of dissent from the majority are the chiefest defenders of the Attorney General who has failed to prosecute the grafting war contractors.

Mr. MURPHY. The gentleman's party was in power for years and did not put any of these men in jail; you knew them better than we know them.

Mr. HUDDLESTON. If the gentleman from Ohio [Mr. MURPHY] assumes that we know the war contractors and profiteers better than Mr. Daugherty does, I have only to say that he pays a very high compliment to our acquaintance with the criminal classes.

But I am not defending the past administration for whatever, if anything, it may have done or failed to do. This is not a partisan matter, it is a matter of whether we believe that honesty should rule our affairs and whether we should have men in the Department of Justice who would prosecute

those who robbed their country and did it infinitely greater injury than some humble and obscure fellow who merely expressed an opinion. [Applause.]

Mr. TINCHER. Is it not true that this man was sentenced to deportation, and that Acting Secretary Post refused to deport him and extended to him the charity of an American prison because his own country would take his life if he had been deported? [Applause.]

Mr. HUDDLESTON. I am not acquainted with the facts, but I do say this, that any government which, merely for the expression of opinion, would deport a man to a country where his life would be forfeited, would deserve the contempt of civilization.

Here are about 60 cases of men who are still in prison, not for spying, not for disloyalty, not for aiding the enemy, but for expressing opinions against war or conscription or otherwise dissenting from the majority. I do not know whether the Magon case is a fair sample or not—I know nothing about the particular facts in his case. I rest my judgment upon the cases of the other men who are in prison, and as a citizen who loves the fair name of his country I demand that their prison doors be opened. It can not be said that they took any active part against our Government, that they did anything more than simply to say something which tended to obstruct conscription or to question the motives or conduct of some of those in authority.

I like to think of America as a land of free men—of liberty of conscience and opinion. I would rescue her from the stigma of holding men in prison four long years after the war merely for the utterance of a few ill-considered words. Others may have taken an active part against the war, but these men are not even so accused; they merely expressed their opinions; and they are yet in jail. And all the while war profiteers, crooked war contractors, and grafters run freely at large.

Thursday, December 14, 1922.

Mr. HUDDLESTON. Mr. Chairman, the World War ended four years ago. By resolution of Congress adopted some 18 months ago our war laws were repealed or their operation suspended. It was the general expectation that those who had been convicted under the war laws would be released upon the repeal of those laws. However, such course has not been taken. We have yet sixty-odd men in our jails convicted under laws which no longer exist.

It is also a fact that of all the nations of the world the United States is the only nation which yet holds in prison offenders convicted under the war laws. I know of no better name for these persons than "political prisoners," because that is exactly what they are. Their offenses were not against persons but directly against the Government by opposing measures relating to carrying on the war.

I am impelled to discuss this subject because of the feeling that the situation is a disgrace to our country. I feel that it is a situation which demands the attention of Congress. I am disturbed by the thought that we have too long been silent and that perhaps I myself have failed in my duty in not before

demanding here upon this floor that these prisoners be released. It is perhaps not upon me more as a Member of Congress than as a citizen. There is, of course, the consideration that it may injure me politically to speak. Demagogues and reactionaries are quick to hound any advocate of liberal opinion. But that very fact is one of the best reasons why I should take my stand for real Americanism and the American Bill of Rights. I can not longer retain my self-respect if I allow this situation to continue without my protest when in my heart I do so bitterly condemn it. The fact that it may be expensive politically is merely an added reason why any man worthy of a seat in Congress should speak his sentiments.

THE CASE OF RICARDO FLORES MAGON.

The subject was again brought to my attention by the discussion with reference to the case of Ricardo Flores Magon, which occurred in the House on Monday last.

We live in the greatest country in the world. Our public men are the bravest and most enlightened. Our elements which guide public opinion are the most liberal. Our classes of large wealth are the most generous toward economic heretics. All this is demonstrated by the case of this man Magon. In Mexico the Chamber of Deputies is said to be draped in mourning for the death of Magon, its citizen who was associated with Madero in his efforts to overthrow the tyranny of Diaz, while here in the United States House of Representatives Magon's memory is reviled and blackened by insinuations that he was a murderer and an assassin or an advocate of murder and assassination.

I am impelled to discuss the case of Magon because I feel that it is a typical case in the respect that it illustrates the practices of the Department of Justice in dealing with amnesty for all of these political prisoners. Whenever pardon for them is mentioned the department emits a smoke screen and attempts to divert attention from the true issue by reckless statements that the prisoners are "anarchists," "communists," or even murderers. It has tried to excuse itself with contemptible evasion and by blackening the names of these men by making unproven charges, by the use of epithets, and I would almost say making lying statements in regard to them. Once you mention the case of one of these men, back comes the propaganda that he is an "anarchist," an "I. W. W.," a "communist," or some other kind of a political or economic heretic. Never will they deal with the facts of the particular offense for which he was convicted or with the proof as appears from the record of the trial of the case.

OUR LAWS ARE AIMED AT DEEDS, NOT AT BELIEFS.

Let me say at this point that it is no crime under the laws of the United States for a man to be an I. W. W., a communist, an atheist, or to hold to any other belief, no matter how wild and subversive it may be, nor is it a crime for men to belong to an organization, no matter what purpose it may have. Our laws are aimed at men's actions, not at a frame of mind or a belief. Men may be convicted as criminals only for deeds and not for thoughts. It is no more a crime to be a communist than to be a Mormon or an agnostic. It is only when a man is guilty of some overt act or of conspiracy coupled with an overt act that he violates the law.

Never at any time has it been unlawful in this country for a man to express his beliefs and to propagate his ideas, except during the World War. These political prisoners were convicted for words spoken and not for deeds done. They violated the espionage act by expressions against the war or in opposition to conscription or other war measures. They were not guilty of spying, nor of sabotage, nor of actively aiding the enemy, nor of anything other than the expression of opinions which men may sincerely hold. They did not incite to murder nor destruction of property nor injury to human beings, but obstructed the draft or criticized public officials or preached against wars in general or other matter of that kind. Yet we find that the Department of Justice delights to obscure the facts by reckless insinuations and by prejudicing the public against these prisoners with charges that they were communists, anarchists, and so forth.

The sinister effort to prejudice the public against these prisoners by making charges against them which have no connection with the offenses for which they were convicted is inspired by the consciousness of the slender basis for their conviction. In no case were they tried for disloyal or violent deeds. Always it was for use of "words," and in some cases the construction placed upon their words was so strained as to pass into the realm of the ridiculous. Men were convicted of conspiring with each other who were rank strangers, had never met, and had never communicated, and when the proven overt act consummating the conspiracy consisting merely of spoken or written words.

LEGALIZED MOBING.

Necessarily, as in the case of all laws aimed at free speech, the espionage act convicted men for the intent or purpose with which they spoke, and in actuality they were tried before the bar of public opinion as represented by juries. In such cases jurors, of course, carry into the box the prejudices of the outside world and are left free to vent the feelings of the majority upon the dissenter. When public feeling is intense and practically unanimous, as in time of war, there is a demand that examples be made of any who may have been conspicuous in dissenting. Conviction is demanded whether there be actual guilt or not, and men are convicted upon their reputations and what others may believe about them. In such cases a trial is more or less a farce. It is a sort of legalized mob action. The rich, influential, and ably defended, of course, go free. The weak, the undefended, and the friendless are convicted, of course. To be an alien radical or labor agitator is to go to jail.

The fact should be frankly and boldly recognized that certain influential groups in this country do not sincerely believe in free speech or other constitutional guaranties. As the beneficiaries of abuses of our system, these groups hold to valuable privileges, monopolies, and the control of great aggregated wealth. They fear the exposure of their practices and the correction of the evils by which they have profited. Dominating to a large extent the channels of public information, twisting and coloring the news which the people receive, their security lies in the suppression of criticism. They identify themselves as the Government, because they are often permitted to control its activities. Then, there are the militarists and imperialists,

with their thoughts of unpopular future wars for which conscription will be necessary.

Without any particular regard for the guilt of our political prisoners, these dominating groups would hold them in prison for its effect upon all who might desire to expose their practices, to thwart their aims, or to question their right to dominate. It is out of deference to these groups that the Department of Justice holds these men in prison. The department bows to the will of the masters of the present administration. Of all the vices which officials may have, hypocrisy is the most contemptible—the exercise of discretion for one set of reasons while pretending to do so for other reasons. This charge I lay at the door of the department.

THE REAL RADICALS.

The reactionary and selfish elements to which I have referred have not merely dictated that the political offenders shall remain in prison, but promptly vent their spleen upon all who may advocate their release. They answer all arguments with the sheer brutality of epithets and false propaganda. Anyone who presumes to invoke American traditions of free speech is promptly crucified by their parasite press and denounced as a "Red" or a "radical" or some other kind of heretic.

The truth is that these reactionaries are themselves the real radicals; they are the real revolutionists. In their hearts they would like to repeal the Bill of Rights except in so far as it may give protection to their property and their interests.

Sometimes they vary from epithets to ridicule and condemn the advocates of amnesty as "maudlin sentimentalists." Why "maudlin," I do not know, and since when has the sentiment of love for American institutions and ideals been unworthy?

On last Monday, December 11, the gentleman from California [Mr. LINEBERGER] discussed in the House the Magon case and made certain statements which I questioned. He had obtained leave to extend his remarks and I challenged him to obtain and extend in the Record as a part of his remarks the indictment against Magon and the article which it was stated he had printed and which constituted the basis for his conviction. The gentleman has caused his remarks to be printed, but has failed to print any of the documents called for. He has failed to meet the challenge and, I presume, does not intend to do so.

I hold in my hand the translation which was used by the Department of Justice as the basis of its prosecution of Magon. This man was convicted of violating the espionage act and section 211 of the Criminal Code by publishing this article in a little Spanish newspaper in Los Angeles. I read:

MAGON'S MANIFESTO.

THE ASSEMBLY OF ORGANIZATION OF THE MEXICAN LIBERAL PARTY.

To the Members of the Party, the Anarchists of the Whole World, and the Workmen in General.

COMPANIONS: The clock of history will soon point with its hands inexorable the instant producing death to this society, already agonizing.

The death of the old society is close at hand; it will not delay much longer, and only those will deny the fact whom its continuation interests; those that profit by the injustice in which it is based: those that see with horror the approach of the revolution, for they know that on the following day they will have to work side by side with their former slaves.

Everything indicates, with force of evidence, that the death of the bourgeois society will come unexpectedly. The citizen with grim gaze looks at the policeman whom only yesterday he considered his protector and support; the assiduous reader of the bourgeois press shrugs the shoulders and drops with contempt the prostituted sheet in which appear the declarations of the chiefs of state; the workingman goes on strike, not taking into account that by his action he injures the country's interest, conscious now that the country is not his property but is the property of the rich.

In the street are seen faces which clearly show the interior torment of discontent; and there are arms that appear agitated to construct barricades; murmurs in the saloons, in the theaters, in the street cars, in each home, especially in our homes, in the homes of those below, where is mourned the departure of a son called to the war, or hearts oppressed and eyes moistened when thinking that to-morrow, perhaps to-day even, the boy who is the joy of the hut, the youngster who with his frankness and gentility wraps in splendor the gloomy existence of the parents in some sense, will be but by force torn from the bosom of the family to face, gun in hand, another youngster who like himself was the enchantment of his home, and whom he does not hate and can not hate, for he even does not know him.

The flames of discontent revived by the blow of tyranny each time more enraged and cruel in every country; and here and there, everywhere, and in all parts the fists contract, the minds exalt, the hearts beat violently; and where they do not murmur, they shout, all sighing for the moment in which the calloused hands during hundred centuries of labor they must drop the fecund tools and grab the rifle which nervously awaits the caress of the hero.

Companions, the moment is solemn. It is the moment preceding the greatest political and social catastrophe the history registers, the insurrection of all people against existing conditions.

It will be surely a blind impulse of the masses which suffer; it will be, without a doubt, the disorderly explosion of the fury restrained hardly by the revolver of the bailiff and the gallows of the hangman; it will be the overflow of all the indignation and all the sorrows, and will produce the chaos, the chaos favorable to all who fish in turbid waters—chaos from which may sprout new oppressions and new tyrannies; for in such cases regularly the charlatan is the leader.

It falls to our lot, the intellectual, to prepare the popular mentality until the moment arrives. While not preparing the insurrection, since insurrection is born of tyranny.

Prepare the people not only to wait with serenity the grand events which we see glimmer but to enable them to see and not let themselves be dragged along by those who want to induce them now over a flowery road toward identic slavery and a similar tyranny as to-day we suffer.

To gain that, the unconscious rebelliousness may not forge with its own hands a new chain that anew will enslave the people, it is precise that all of us, all that do not believe in government, all that are convinced that government, whatsoever its form may be and whoever may be the head, it is tyranny, because it is not an institution created for the protection of the weak but to support the strong, we place ourselves at the height of circumstances and without fear propagate our holy anarchist ideal, the only just, the only human, the only true.

To not do it is to betray knowingly the vague aspirations of the populace to a liberty without limits, unless it be the natural limits—that is, a liberty which does not endanger the conservation of the specie.

To not do it is giving free hand to all those who desire to benefit merely their own personal ends through the sacrifice of the humble.

To not do it is to affirm what our antagonists assure—that the time is still far away when our ideals will be adopted.

Activity, activity, and more activity is the demand of the moment.

Let every man and every woman who loves the anarchist ideal propagate with tenacity, with inflexibility, without heeding sneer or measuring dangers, and without taking into account the consequences.

Ready for action, and the future will be for our ideal—land and liberty.

Given in Los Angeles, State of California, United States of America, the 6th day of March, 1918.

RICARDO FLORES MAGON.
LIBRADO RIVERA.

The article was perhaps a foolish article. It may have been a wicked article. The man was tried. He was convicted of violating the espionage act. How anybody could imagine that that article could have had any effect whatsoever toward obstructing our war operations is beyond my comprehension. The gentleman from California [Mr. LANEBERGER], however, said that—

During the dark days of the war, when all patriotic men, women, and children under American skies were giving their all in order that the country might win the war, people such as Ricardo Flores Magon were seeking to obstruct our endeavors in winning that war.

He also said:

Ricardo Flores Magon during that time was publishing this paper of his, *Regeneracion*, in Los Angeles, obstructing the draft, trying to get those Mexicans in this country who were of American citizenship to refuse to serve under the colors, and inciting them to return to Mexico and enlist themselves under the banner of Mexico with Germany in order to recover the so-called lost Provinces of Mexico, to wit, California, Texas, New Mexico, and Arizona.

I again challenge the gentleman to put into the *RECORD* something printed by this man Magon that bears out his statements. I call upon him to put into the *RECORD* something from the court records of the case in which Magon was tried—not from his imagination—which will justify his statements.

I want to read what Magon said later of his own article:

DID NOT REFER TO AMERICA.

On the 21st of March, 1918, I was arrested with Rivera for having published in *Regeneracion* the manifesto for which I was given 20 years' imprisonment, and Rivera 15. The wording and meaning of the manifesto were construed as seditious by the prosecution; that is, as aiming at the insubordination and revolt of the military and naval forces of the United States. Any sensible person who happened to read the manifesto would not draw such a conclusion, for in reality the manifesto is only an exposition of facts and a fair warning to all mankind of the evils those facts might produce.

In one of its paragraphs it is clearly stated that no one can make a revolution on account of it being a social phenomenon. The manifesto was aimed at the prevention of the evils a revolution carries itself, the revolution being regarded from a scientific standpoint as a world-wide inevitable result of the unsettled conditions of the world.

The manifesto does not refer in the least to the policies of the American Government in the last war, nor gives aid and comfort to its enemies. It is neither pro-German nor pro-Allied, and does not single out the United States in its brief review of the world conditions. It was enough, however, to secure for me a life term behind prison bars. The persecution, this time, was exceedingly severe. My poor wife, Maria, was incarcerated during five months, and is now free on bond awaiting trial for having notified my friends of my arrest, that they should assist me in my legal defense.

I have examined Magon's article with some care. According to usual standards it is somewhat vague and bombastic, but there is little in it that can be considered as inciting to disloyalty or revolution. Perhaps its most objectionable passages are those which speak of the workingman being conscious "that the country is not his property, but is the property of the rich," and the criticism of Government in general: "It is tyranny, because it is not an institution created for the protection of the weak, but to support the strong." Also, I note the condemnation of war by reference to the young man "torn from the bosom of his family to face, gun in hand, another youngster who, like himself, was the enchantment of his home, and who

he does not hate and can not hate for he even does not know him." There is not a word of criticism of the United States, nor of our Government, nor of any official action in particular. Yet the publication of this article in a little-read Spanish newspaper was considered to merit 21 years in the penitentiary, of which Magon had served 5 at the time of his recent death.

In discussing Magon's case the gentleman from California [Mr. LINEBERGER] read a statement which obviously emanated from the Department of Justice. Of course, I accord to him sincerity and belief in the statement. The thing I chiefly complain of is that the statement was grossly misleading to all who did not know the facts.

The statement was made that Magon was convicted under section 211 of the Criminal Code and sentenced to 21 years, and that he was also convicted under the espionage act and sentenced to 20 years. The fact is that Magon was sentenced for only 1 year under section 211 and to 20 years for violating the espionage act. It is also a fact that his sole offense was publishing the article which I read. He was not convicted for two separate offenses, as the statement implied. I am informed that the statement that he had previously been twice convicted under Federal laws for "anarchistic activities" is erroneous, and that his prior conviction was for a breach of our neutrality laws by aiding from the United States in the Mexican revolution against Diaz.

What I most resent is the misleading references to Magon's belief in anarchism and the implication that he was an advocate of murder, bombing, and forcible resistance of Government. From the information I get, he never believed in or advocated any such thing. He was a believer in the doctrines of Proudhon and of Tolstoy—in a world ruled by good will, cooperation, and brotherhood, instead of policemen's clubs and bayonets—what is called a "philosophical anarchist." The reference to Magon as an anarchist is a mere smoke screen. He was not convicted of being an anarchist, for there is no law against it, and the reference is merely to mislead and to prejudice his case.

The New York World of November 25, 1922, carries an editorial upon the Magon case which affords food for thought:

MAGON AND MORSE.

Ricardo Flores Magon died last Tuesday in Leavenworth Penitentiary, having served nearly 5 years of a 21-year sentence imposed under the espionage act. A Mexican disciple of Tolstoy, Magon had spent a number of years in prison as a result of revolutionary activities against the Diaz régime; then, entering the United States in quest of greater freedom to speak and write in the cause of Mexican enfranchisement, he was caught in 1918 dragnet and received a maximum penalty for alleged interference with the conduct of the war. In reality, the article for which he was convicted had no bearing on the war with Germany except what was read into it by prosecution. That, of course, was not unusual. In the heyday of witch burners and unofficial spies, Magon was only one of the victims.

The point of the case lies in the fact that Attorney General Daugherty had been informed by the prison physician that Magon was going blind, and had been repeatedly warned by others that he would die unless pardoned. Mr. Daugherty remained unshaken. He wrote that he had taken up the matter with the President and that "both of us were agreed that no action should be taken directed to the granting of Executive clemency." It is not often that a reason is vouchsafed for decisions of this nature, but Mr. Daugherty did give a reason as follows: "He regards his prosecution by the Government as a persecution and makes it appear that he is a martyr. He

in no manner evinces any evidence of repentance but on the contrary rather prides himself on his defiance of the law."

By a great effort, one remembers, after this high moral sentiment, that it was Harry Daugherty who procured the pardon for Charles W. Morse on the ground that Mr. Morse was dying. That was many years ago, and Mr. Morse, though much older than Magon, is not yet dead. Indeed, Mr. Daugherty is trying at this moment to send him to jail on another charge. Undoubtedly, Mr. Morse was repentant. Or is the moral simply that it is better to break the banking laws whenever there is a profit in doing so than to fool with free speech in this land of the free?

I now quote from a recent editorial from the Baltimore Sun, which is full of interest:

ANOTHER POLITICAL PRISONER FREE.

The name of Ricardo Flores Magon has been removed from the long roll of political prisoners still in Leavenworth. No belated Executive clemency gives him this freedom. Death has intervened where Attorney General Daugherty was adamant.

Magon was not an American. He was not a subject of any nation participating in the late war. The articles in the little paper which he published in Los Angeles were in the Spanish tongue and as little likely to "discourage recruiting" as a Dutch edition of the New Testament. But the espionage act was broad enough to catch him, and now, after serving 5 years of a 21-year sentence, Magon is dead. After all he was only a Mexican radical, and what does it matter that the Mexican Chamber of Deputies is said to be draping its rostrum black in honor of him?

* * * * *

To the Attorney General the President of this country can give great powers. Powers of life and death, power to stamp out the soul by months and years of jail, power to procure a pardon for men like Charles W. Morse, power to deny a pardon to men like Magon. But one power only God can give to men in authority, and that is the power of understanding.

Magon was not released, it seems, because he would not say he was "repentant." And in a letter of which the following passage is the core Mr. Daugherty found evidence that Magon "prides himself on his defiance of law":

"I do not complain against my fate. I am receiving what I have always gotten in my 36 years of struggling for justice—persecution. I never expected to succeed in my endeavor, but I felt it to be my duty to persevere, conscious that sooner or later humanity will adopt a way of social intercourse with love as a basis."

Magon was a follower of Tolstol. Imprisoned in Mexico under the autocracy of Diaz, he sought America as a haven where he might work for the liberation of the peons of his country. Caught in the dragnet of war hysteria, he was given what amounted to a life sentence in Leavenworth.

The gentleman from California [Mr. LINBERGER] included in his extension of remarks in the RECORD of December 11 a peculiarly vicious statement from American Defense Society. I have read the statement with amazement. It would be difficult, indeed, to include in a statement of the same length more downright misrepresentations. Yet by including it the gentleman from California appears to give it his approval. I will not deal with the statement further than by quoting the statement of Dr. John A. Ryan, of Washington, who, because of his standing as a scholar in the field of morals and economics and because of his special knowledge of the cases discussed, is an excellent authority. Doctor Ryan says:

The bulletin given to the press by the American Defense Society on December 11 is grossly misleading. It asserts that the political prisoners for whom amnesty is sought are detained in jail not merely for violating free speech but also for various acts of physical violence. It asserts, in fact, that they are "murderers and destructionists."

The American Defense Society makes a disingenuous effort to support these assertions by quoting the substance of the four charges upon which these men were tried. The first two charges involve crimes of

violence. The third and fourth involve only written and spoken opposition to the war.

The dishonest tactics of the American Defense Society consist of failing to state that the convictions under the first two charges were set aside by the United States Circuit Court of Appeals in the seventh and eighth judicial districts. These reversals affect the great majority of the political prisoners. Had the cases of the rest of them been appealed in the same way the higher court would undoubtedly have reversed the finding of the lower court in those cases also.

Therefore counts 1 and 2, which charge violence, are entirely irrelevant in any discussion of the continued imprisonment of these men.

The sum of the matter is that all the political prisoners are now serving sentences under count 4, which involved merely oral or written or printed expressions. None of them is legally detained in prison for any offense of destruction or violence.

How horrible were their oral or written or printed expressions? Well, they could all be reduced to assertions that the war was a capitalistic war; that the working classes were fools to engage in it; and that the way to prevent war is through a general strike. For these utterances the majority of the political prisoners were sentenced to terms of from 10 to 20 years.

Did any of these men really commit the acts of poisoning and burning and other forms of destruction which are charged against them in the statement of the American Defense Society? I do not know. What I do know is that they were not legally convicted of these crimes or their conviction in the lower courts was reversed by the upper courts.

The mention of these crimes, therefore, in any statement against the political prisoners is irrelevant and unfair. It is, in effect, an attempt to deprive them of the "due process of law" which the Constitution guarantees to all persons in the United States.

The contention of the American Defense Society is that these prisoners should be kept in jail not because of offenses of which they have been convicted but because of other offenses of which they have not been convicted. This is an outright denial of "due process of law." It is a greater injury to our institutions than all the wild utterances of all the I. W. W.'s, whether in or out of jail.

It comes from men who think they are superpatriots, but it is fundamentally unpatriotic, because it is contrary to one of the fundamental principles of the Constitution. It is an appeal to legal violence, or even to a kind of legal lynching. The political prisoners may be guilty of a hundred detestable acts, but as long as they have not been convicted of them they should not be kept in prison on account of them.

THE NEW AMERICANISM—AND THE OLD.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE CITY OF BALTIMORE,

February 4, 1923.

Mr. HUDDLESTON. What is Americanism? Does the new Americanism differ from that taught by the founders of the Republic? Do the security leagues, defense societies, and other self-appointed guardians of our institutions hold to the principles of Jefferson and Lincoln; or are they seeking to train America in a new departure? The pronouncements of these organizations upon the subject are not to be accepted as final, for they are merely representatives of classes and groups and are in no sense qualified to voice the patriotism and wisdom of the whole people.

To understand America we must know not merely the history of our country but of the world's civilization. We must consider not merely political systems but the development of economic principles. We must understand something of world conditions of the time when our Nation came into being.

AMERICA THE FIRST GREAT EXPERIMENT IN DEMOCRACY.

America was the first of the great Republics. Here was made the original great experiment in democracy, in the ability of all of the people of a nation to govern themselves. The principle that governments derive their just powers from the consent of the governed was here for the first time applied on an important scale. That principle as enunciated in the Preamble to the Declaration of Independence was untried. It was launched upon a world in which civil government shaded from rule by a small and privileged class down to sheer autocracy. The doctrines of the Preamble were heard in the Old World as the ravings of wild radicals. The beneficiaries of the old system, riding at ease upon the shoulders of the masses, viewed the principles of Jefferson as impossible, almost insane. These principles came into a world of baron and serf, of privilege smug and assured, a world which could not believe it possible that men are created equal.

World conditions have changed since '76. America's example has not been wholly in vain. The spirit of democracy has pervaded all the peoples. None now accept despotism without protest. Empires have crumbled, thrones have tottered, princes and lords have hurried into the dust. There is a danger that we will conceive of Americanism as having been born in a time such as we now have. With such a conception it is impossible to understand our institutions.

There are two schools of political thought in every land. On the one side are the antidemocrats, those who hold that men have no natural right to order their own lives and that the wealthy, the cultured, and those of birth are best qualified to rule and hence should hold the political power. A tenet of the faith of these is that property and property rights are sacrosanct as the instru-

mentality through which their positions of influence may be assured. On the other hand are the humanitarians, those who value men per capita, those who feel that the right to life, liberty, and the pursuit of happiness is equally the natural and moral right of all men, whether great or small. These hold that God never made any man wise enough or good enough to be the ruler of another man.

TORIES DISPUTED WITH REVOLUTIONARIES FOR POLITICAL POWER.

We are prone to think that the people of the Colonies were united in their aspirations. To the contrary, the principles which inspired the Revolutionaries were grossly offensive to an important faction. The rich, the powerful, the officials, and many of the educated had Old World ties of both interest and ideals. They wanted to hold to the old systems. They wanted no independence which meant more than the mere transfer of the seat of government to our own shores. It was in the main the great masses who believed in democracy and who were willing to die if need be for a new order. This division of sentiment weakened our efforts and made success infinitely more difficult.

From the parts of the Colonies not occupied by British troops the Tories withdrew to the West Indies, to Canada, and to Europe. Some of them never came back, but after independence was gained many returned and resumed their property and by degree their dominating status. Resuming their former wealth, they soon asserted themselves in resuming their former influence. It was only a few years after the Revolution before those who had been Tories during the war disputed for political power with the Revolutionaries who had fought the war.

The Revolution was fought under the Articles of Confederation. For the purpose of forming a permanent union of the Colonies a Constitutional Convention was assembled in 1787. It is a startling fact that in the convention held so soon after the treaty of peace was signed there was no representative of the masses—no member of the mechanic or small-farmer class. It was a "property-owners' convention," composed almost wholly of land speculators, large planters, owners of public securities, and of professional men. Small wonder, then, that the convention concerned itself chiefly with protecting business and property rights. It eventually found it necessary to resort to the revolutionary method of submitting the Constitution for ratification in a manner violative of the plain provisions of the Articles of Confederation.

In answer to the criticism of the democratic elements that the Constitution had omitted all reference to the English Bill of Rights, the reactionaries argued that express mention of the rights was unnecessary, as they were the implied prerogative of every citizen and existed independently of the Constitution. The liberals were not content with this and insisted that the Bill of Rights should be included within the letter of the law. The Constitution would never have been ratified by the required number of States except for the promise made by its supporters that the Bill of Rights should be incorporated by amendments, a promise which was subsequently violated by the rejection of all but 10 of the proposed amendments.

THE SOURCE OF AMERICANISM.

Thus we find that the great political issue of post-revolutionary days concerned the first 10 amendments to the Constitution. I believe that there can be no doubt, if in that time either Washington, Jefferson, Madison, or Samuel Adams had been asked to define "Americanism," he would have pointed to the Preamble to the Declaration and to the Amendments. Either would have said that the chief function of the Constitution was to safeguard the principles enunciated in these documents and as machinery for the defense of those principles.

But we need not look merely to statesmen for a definition of the old Americanism. To Jefferson, it was his great mission to defend the principles of civil liberty as found in the Preamble and the Amendments and to extend their operation. He, with others of his school, were the organized fighting forces of early democracy. They thwarted Hamilton's purpose to clothe the Executive with panoply befitting a monarchy. They opposed the Federalist program in every detail. They struck down the alien and sedition acts of 1798. Their principles were approved in popular elections by overwhelming majorities, so that for a

continuous 25 years of the formative period of the Republic that liberal group remained in power.

By the support which the people gave to that group approval was given to its interpretation of the purposes of the Revolution. The people approved the position of Jefferson and his associates that true Americanism was embodied in the Preamble and the Amendments. Therefore, to learn of the old Americanism we have but to study these documents.

The corner stone of American foreign policy from the close of the Revolution was isolation. Nowhere is that policy more clearly expressed than in Washington's Farewell Address, the gist of which is in these words:

The great rule of conduct for us in regard to foreign nations is in extending our commercial relations; to have with them as little political connection as possible.

Europe has a set of primary interests, which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns.

In discussing the subject, Jefferson said:

I am for free commerce with all nations and political connections with none.

This policy was adhered to by every statesman in power during the period; it also found expression in the Monroe doctrine and later in Jackson's state papers and in the eloquent speeches of Clay. It may be confidently said that to definitely separate ourselves from the political intrigues of the Old World was practically the sole foreign policy of the earlier statesmen.

Be it also remembered that our isolation from Old World concerns was never geographical nor commercial but was always purely political. With Great Britain in Canada and the West Indies, with Spain in Florida and Mexico, and with France in Louisiana, we were geographically surrounded. On the other hand, the need for commercial intercourse with foreign nations was always pressing and the desire to foster commerce never lacking. Those who now argue that because of the development of rapid transit and overseas communication we should abandon our old policy of isolation do not understand the reasons back of that policy, for our geographical contact with Old World nations was infinitely closer than modern steamships and telegraphs can produce.

AMERICAN FUNDAMENTALS.

Let us see, then, what are American fundamentals: Equality, liberty, and self-government, as found in the Preamble; the right of habeas corpus, as protected by section 9 of Article I; and freedom of speech, religion, and assembly; prohibition against searches and seizures; due process of law, trial by jury, and other civil rights as secured by the Amendments. It is to be noted that these principles relate chiefly to the enjoyment of civil and religious liberty, and, as an incident thereto, to the protection of private property. To these must be added a foreign policy of separateness from the political concerns and intrigues of the Old World.

Without regard for these fundamental principles our Nation may be rich and powerful, but it can not be said to represent the ideals for which the Revolutionaries shed their blood. Without these fundamentals the Nation may possibly be perpetuated, but with the surrender of any one of them or its perversion from its true and original meaning the soul of the old Americanism will have departed.

All governments respond to the collective will of the nation. Whether it be the Emperor of Japan or the President of the United States, Lenin in Moscow or Bonar Law in Downing Street, all rulers are at last the puppets of public opinion. Only we must not forget that public opinion is not always majority opinion; usually it is the opinion merely of those who count, of the coterie or group, large or small, who surround the seat of power.

In the case of the United States there is a ruling class none the less than characterize an autocracy. Only with us the dominant elements are forced to take the trouble to mold a public opinion to support their measures. It thus becomes more expensive and troublesome to rule in a republic, for public support is essential and always must the rulers have the cooperation of the picked and leading spirits of the communities.

Again, it must be born in mind that governments usually take the form and adhere to the policies consistent with the ideals of their peoples and which

further their material interest. In other words, they are dominated by public opinion as I have defined it. And when the ideals and interests of a people change a tendency toward change in government and principles is inevitable.

THE FORMATIVE PERIOD.

Americans of Revolutionary days were a rural people, scattered upon the border of a wide continent. They or their fathers had come to these shores to escape oppression. Their chief desire was to be let alone and to have an opportunity to work out their own salvation. They feared Europe and Old World intrigues. They did not expect fostering and did not feel a need for protection, except as against the painted savages. To a people of this social and economic habit and holding to these ideals of liberty the old Americanism was admirably adapted.

The 70 years following the Revolution were a formative period. The population multiplied, the frontier expanded deep into the continent, roads were built, national borders were established, and our civic institutions developed by experience. There were social and economic changes, but they were not fundamental, so that our people remained about the same, with much the same opinions and interests.

Following the Civil War industrialism had its rise. With a large and increasing population, there was a growing demand for goods and manufactured articles. In response to the need for funds to carry on the war a tariff wall was erected upon our boundaries, and American industrialists and financiers found a market upon whatever terms they chose to ask. Then followed a tremendous growth in industry and in industrial populations, drawn from our own farms and augmented by an ever-increasing stream of immigrants. Great changes were worked within two or three decades. We became less and less an agricultural people and more and more devoted to industrialism. Great fortunes arose out of the operations of Civil War contractors, railroad promoters, manufacturers, and financiers.

GOVERNMENT BY BIG BUSINESS.

In the early nineties a change began to come over the spirit of the American dream. Production in our factories had mounted until in many lines it began to exceed the home demand. Manufacturers who had had no competition except the competition from abroad, from which they were protected by tariffs, began to find themselves in competition with each other for an American market not large enough to satisfy them all. Tariff walls no longer sufficed to keep the mills going. Competition at home became increasingly acute, with a resulting shrinkage in prices and loss in profits. There was resulting industrial depression, which affected both commerce and finance and even reacted disastrously upon the farmers. Out of the welter came monopolization, the organization of trusts and combines, the real excuse and purpose of which was to prevent ruinous competition among American industrialists.

But the structure of industrialism had been erected. It was not possible to abandon the system. Trustification at best was merely a palliative. It related merely to the home situation. As it proceeded until practically all lines of industrial production found protection against each other and ways of perpetuating by monopoly their profits from home business, more and more was felt the need for foreign markets.

The era of railroad building had ended. Practically all of the Nation's mineral wealth had been collected into a few hands. Development at home was so far advanced that capitalists and financiers found themselves under the same pressure as captains of industry. More and more their eyes turned to foreign fields for investment and exploitation.

The control of Government by big business and big finance culminated in the inauguration of President McKinley in 1897. That administration and all those which have followed have responded to the changed American outlook. Possibly the first straw which indicated the veering of the American breeze was the program for naval increase promoted by Secretary Whitney. At any rate, the change was well under way by '98. By that time we had marked for our own the West Indies, Central and South America, and a share of the rapidly dissolving Chinese Empire.

OUR FIRST ADVENTURE IN IMPERIALISM.

Cuba gave the first opportunity, and "Cuba Libre" was the hypocritical slogan by which the masses were rallied to our first great adventure in imperialism. It was not by mere chance that Dewey's squadron was in oriental waters, ready to swoop on the Philippines, an admirable base for our operations in the Orient. We swallowed Porto Rico at a gulp, but our professions concerning Cuba forced us to almost Old World diplomatic delicacy in assuming a protectorate.

What the Cuban protectorate means is aptly illustrated by the presence of an American major general in Havana at this time and the dictation to which he has required the Cuban Government to submit. The house of Morgan is now advertising \$50,000,000 of Cuban bonds for sale at ninety-nine odd. Our Government forced Cuba to issue these bonds. Morgan paid 96 for them and so cleans up a million and a half on the deal and who knows what else in commissions—the new Americanism!

DOLLAR DIPLOMACY AND THE RAVISHMENT OF COLOMBIA.

The Philippines secured, came Hay with his "dollar diplomacy," and an American regiment marched to Peking by way of showing the world that we had entered the Great Game. Came later from year to year the strengthening of our hold on sundry South American countries, our ravishment of Colombia for Panama, the Sandwich Islands incident, and our adventures in Nicaragua, Haiti, and Santo Domingo. We have also twice invaded Mexico.

The incidents and activities to which I have referred are not to be taken separately. They are parts of a whole, and bespeak a definite national policy. They are merely the tangible, visible evidences of the change. Those who rule America, those who mold its public opinion and dominate its ideals, have deliberately decided upon a new national course. They have need for foreign markets and for foreign fields for investment and exploitation. They have definitely decided that we shall go into competition with Great Britain, Germany, France, and Japan in the world-wide business of exploitation in which they are engaged.

THE PHILOSOPHY OF THE NEW AMERICANISM.

Greatest profits are realized when goods are sold or money loaned to weak and undeveloped peoples. Competition is troublesome, therefore zones and spheres are selected and competitors excluded from them. The fundamental rule of the Great Game is that other nations are not to be allowed to compete on equal terms and that the choicest bits are to be reserved for the over-lording power. Other nations of the world know this, and our rulers know it no less well. Other powers practice it for the advantage of their nationals, and our rulers are resolved also to practice it for their own benefit.

We have definitely entered into competition with the great exploiting nations in the business in which they are engaged. To successfully compete we must qualify and perfect ourselves; we must place ourselves in as good situation as our competitors; we must shape our political, social, and economic lives for the competition. We must make of ourselves a competitor as perfect as those whom we oppose. This is the philosophy of the new Americanism.

Competition is a matter of strength, of cheap production, readily available resources, facility and safety in distribution, domestic tranquillity and order, strength to collect debts and to prevent encroachment upon our chosen fields of trade. These are the outlines of the new Americanism.

"DOWN WITH FREE SPEECH AND FREE ASSEMBLAGE."

To insure domestic tranquillity there must be no political agitation. "Demagogues and Socialists" must be muzzled; hence down with free speech and free assemblage. Witness the Sterling sedition bill passed by the recent Senate and the sedition bill fathered by the then Attorney General Palmer and favorably reported by the House Judiciary Committee in the form of the more oppressive Graham bill. Only by an eyelash were these measures prevented from becoming law. Witness the sedition statutes of New York, California, Michigan, and other States. Witness 60 men in Federal prisons, most of them

merely for membership in an organization said to be opposed to the recent war. Witness Daugherty at Chicago enjoining railroad strikers from speech and assemblage.

Domestic tranquillity also requires a docile population trained in obedience. Conscription is very useful to this end. The unformed boys are taken from their homes and placed in the ranks under hard-handed drillmasters. Here everything depends upon rank; the conscripts are trained to respect their betters and those in authority. The impassable gulf which separates them from the officer class accustoms them to social and economic barriers. If they have ideas of equality and democracy, here they are strangled. If they have initiative, it is quelled. If they are ambitious, they are subdued. If they are resentful, they are crushed. Out they go upon discharge molded into orderly, quiet, resigned, unresentful, and unimaginative uniformity. Surely no agitator can find material in them.

Peace at home requires the means to enforce peace. There must be no possibility that the situation will ever get out of hand. Police, and again police; and since conscripted soldiers are the cheapest police, then soldier conscripts for policemen.

And with police, espionage—a land filled with spies. Witness Daugherty, who has literally spent millions on his espionage system during the past 12 months. And with spying, passports made difficult to obtain, and the registration of aliens only, since the time is not yet ripe to register citizens.

"DOWN WITH LABOR UNIONS; UP WITH THE OPEN SHOP."

Cheap production requires cheap, docile, and steady labor. Organizations encourage laborers to be more independent and assertive. They produce an objectionable class consciousness. Then down with labor unions and up with a nation-wide conspiracy for the "open shop," the great "American plan," even if it requires provoked strikes to destroy the unions. Witness the strikes in the textile, coal-mining, steel, and railroad industries.

But strikes tend to increase production costs, so that strikes must be outlawed both in public opinion and the courts. Witness the nation-wide propaganda and misrepresentation of excesses of strikers. Witness the Kansas industrial court. Witness an orgy of antistrike legislation in the States. Witness again Daugherty's Chicago injunction, with the President of the United States demanding of Congress that strikes should be prohibited by law.

Cheap production is insured by cheap and docile labor. Ignorant and easily controlled immigrants are quite desirable. Therefore open up the gates. But stay, a strange ferment is working in the downtrodden European masses. They are holding to new heresies of "equality and justice." Let us, then, be very careful that in admitting aliens we accept none who think. Muscle is what we want, not brains. If there were only some way to insure that the alien laborer would remain docile and cheap, all would be well, but let us not ignore the urge which may come in his strange, new surroundings for more than he should have. A cunningly devised immigration law which will comb out the "brother to the ox" from the "dangerous agitator" would be admirable. But to make sure we must postpone admission to citizenship so as to hold a threat of deportation over the immigrant, and thus prevent labor strikes.

TRADITIONAL POLICY OF ISOLATION ABANDONED.

A policy of foreign isolation is inconsistent with the strength in diplomacy required for competition in playing the Great Game. Farewell, then, to the teachings of the fathers; farewell to American nonintervention. How can there be isolation from Europe and Asia, and yet meddling all the while with every South American concern?

The present administration has been frank in its five-power pact. We have solemnly bound ourselves not to have a larger Navy than any other power in the world. What a concession! For 300 years naval supremacy has been the corner stone of British policy. An island homeland, dependent upon ships for food for her people and with possessions in all the Seven Seas, the empire would crumble if an enemy should wrest control of the seas from Great Britain for 60 days. We have been generous. Her chiefest world competitor, self-supporting at home, we condescend to agree that we will not aspire to domination of the seas.

The four-power treaty is a still more frank admission that we are engaged in the same business as Great Britain, France, and Japan. We enter into partnership with them, each virtually agreeing to defend the other in its possessions in the Orient and not to poach on the other's preserves. It assures us peace for 10 years, and perhaps assures us war shortly after its period has expired.

Only by sheer good luck did we escape binding ourselves by the treaty of Versailles to defend the newly carved and fanciful boundaries of Europe. Nevertheless, we have our observer at Lausanne. Were there anything to gain, the world might yet be given that we should help or hinder—as our business interests might appear—France in the Ruhr, or battle for British oil promoters at Baku or Mosul. The nations of the world must be made to know that America has arrived and will be a factor in all divisions of spoil in the future.

MILITARISM AND NAVALISM.

Of course, there must be great armies and navies, for war is a necessary incident to the Great Game. The possibility of war must always be in the background, for intimidation is the chiefest factor in preventing competition. There is always probability of war over division of spoil, and when the world has all been staked off, war is necessary in order to remove the landmarks.

A proposal to submit the decision for war or peace to the people is ridiculous—it is almost treason. What do the people know of the springs which move rulers? What would be the use of being strong on land and sea if we must submit whether we will use the strength to town meetings and country hustings, where not one in ten can hope to derive any benefit from a war?

No; it is hard for democracies to wage successful war. A strong centralized government is needed, a corps of trusty councilors with authority to decide in secret and to launch, without warning, armies and navies upon an adversary. National policies must be kept secret from competitors. The people must not even dream of the war which they are being driven toward. The adversary must have no time to prepare for the onslaught. It is hard for democracies to wage war. Therefore minimize Congress and make it servile; this will make for a strong centralized government; "Stand by the President; he knows—let him decide."

And in this connection conscription again is of great value. It insures plenty of "cannon fodder" and makes unnecessary any appeal to the people to support the war. Without conscription wars must be popular; time and trouble must be taken to inculcate faith in the righteousness of the cause. With conscription all this is unnecessary. It is no matter that the masses who are expected to do the fighting are opposed to the war. Their opinions are not to be considered.

"PRUSSIANISM."

My friends, I wonder if yet you have not said the word "Prussianism." They are trying to "Prussianize" America. That is what they are driving for. That is the ideal of the dominant group; that is the new Americanism.

We who hold to the old Americanism have reason to fear for the future of our country. We may well realize that there can be no abiding democracy among a people separated into social classes and economic groups, in which all the advantage, all the hope, and all the opportunity rests with the few, and all the labor and all the burdens are imposed upon the many. We may well oppose the tendency toward the aggregation of the wealth of the Nation into a few hands, the monopolization of our natural resources, and the usurpation by the few of the opportunities which naturally belong to all. A nation may be a powerful imperialism, but it can not be truly great, it can not be a truly democratic nation if, typical of its life, is the gilt and splendor of Fifth Avenue and the squalor and hunger of the slums.

The real patriots—those who love the soul of America and wish to hold true to its high mission as the exemplar of liberty and justice to all the world—must bind themselves to the task to see that those who do the hard and useful work may still aspire, and that the door of hope and opportunity shall be open to those who may come after them.

We must fight for our country. We must fight for its institutions. We must fight to keep it what the founders designed—a home for men who are free, a land of hope and opportunity. We must hold onto the old Americanism of justice, liberty, and equality. We must fight for the old Americanism.

AMENDMENTS TO WAR RISK INSURANCE ACT.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, March 2, 1923.

The House had under consideration H. R. 14401, being the bill to amend and modify the war risk insurance act.

Mr. HUDDLESTON. Mr. Speaker, the brief time allotted to me for the discussion of this measure does not permit of a full explanation of its provisions. I am forced to content myself with a very brief explanation of some of the changes made in the existing law.

SOLDIER MUST HAVE BEEN DISCHARGED BY COURT-MARTIAL.

The present law deprives a soldier of compensation and insurance benefits who was dismissed or discharged from the Army for misconduct. By the amendment it is made necessary that the dismissal or discharge must have been after trial by court-martial in order to prevent an ex-soldier from receiving compensation for disabilities connected with his service or the benefits of the insurance which he paid for with his own money.

THREE YEARS FOR MENTAL DISEASES AND TUBERCULOSIS.

Perhaps the most important amendment proposed is the amendment to section 300 of the act. At present veterans developing mental diseases or tuberculosis within *two* years after discharge are held to have contracted same while in service and are granted compensation for such disabilities. The amendment extends the period to *three* years, within which, if such diseases are found to exist, same are held to be service connected and compensable.

SOLDIER PRESUMED TO HAVE BEEN SOUND WHEN ENLISTED.

Another important amendment to section 300 is the insertion of the word "conclusively" in the second sentence of said section. This sentence as it appears in the existing law is the substance of an amendment which I offered on the floor of the House and secured to be adopted as a part of the act of June 25, 1918. I had observed that soldiers developing disabilities while in service were frequently charged by the Army surgeons with having had the disability at the time they enlisted, although upon examination at that time no such disability had been found. It is the practice of the Pension Office that where, even months after the soldier enlisted, an Army surgeon states on his record that he had the disability when he enlisted, although upon a searching examina-

tion at that time same was not disclosed, such statement is conclusive and defeats the soldier's right to pension. Such a practice was so unjust that I felt that it should not be applied to World War soldiers. In short, it was my feeling that if upon an examination by Army surgeons at the time he enlists the soldier is found to be sound in every respect it was unfair for the Government to refuse compensation for disabilities subsequently discovered merely because some Army doctor might say that he had no such disabilities at the time he enlisted. With this purpose in mind I introduced the amendment which provided that a soldier should be held as having been in sound condition when he enlisted except as to such infirmities as were then made of record by the examining officers.

My amendment seemed to make the law very plain. However, the Veterans' Bureau in many cases has refused compensation to soldiers who were found sound by the examining surgeon at the time of enlistment, basing such refusal upon the ground that the soldier had a disability existing at such time which the surgeon did not discover. In order to place the law beyond such interpretation the word "conclusively" is now inserted before the word "held" as same appears in my previous amendment. It is hoped that by the use of this language the bureau will be prevented from going back of the finding of the examining surgeons who pronounce a man sound at the time he is enlisted.

BURIAL OF INDIGENT VETERANS OF ALL WARS.

Section 301 (g) (2), as amended by the pending bill, authorizes the bureau to pay \$100 as the burial expenses of a veteran who may die without sufficient assets to pay for his burial. The most important aspect of this amendment is that it covers veterans of all wars, including Civil War, Spanish War, Philippine insurrection, and so forth. In other words, by this amendment for the first time is it recognized that there should be no discrimination among soldiers, all of whom have served honorably in various wars. True, this principle is now made applicable only to burial benefits, but I believe that it will eventually be extended to all other forms of soldier relief.

HOSPITALIZATION FOR SPANISH WAR VETERANS.

Section 302 (6) of the existing law extends to Spanish War soldiers suffering from tuberculosis and mental diseases the right to hospitalization in Veterans' Bureau hospitals. However, Spanish War soldiers have been discriminated against in that while they are treated at the hospitals the same as World War soldiers they are required to pay their own transportation to and from the hospitals, while such transportation is furnished free to World War soldiers. The amendment made by the pending bill will extend to Spanish War veterans desiring to enter bureau hospitals for treatment for said diseases the same free transportation which is now granted to World War veterans.

INSURANCE NOT LAPSED WHEN COMPENSATION DUE.

By section 408 of the present law, where an ex-soldier fails to pay premiums on his insurance at a time when there is due him for compensation for service-connected disabilities an amount in excess of the amount of his insurance premiums, and

such ex-soldier subsequently dies from said disability "without collecting or making claim for said compensation," then his insurance shall be held not to have lapsed and benefits thereunder shall be payable to his beneficiaries. By this bill the law is amended by striking out the words "or making claim for," so that where a veteran has claimed the compensation which was due him, but has not been able to collect it from the bureau, his insurance is not lapsed. This amendment was adopted in the committee upon my motion. There are numerous cases in which veterans have been entitled to compensation and have claimed it, but the bureau has failed to allow their claims or has delayed payment until the veteran has died from his disability. Surely the mere fact of having "claimed" the compensation ought not to cause the lapse of the soldier's insurance.

The time at my disposal is too short for me to discuss the amendments further. I have mentioned merely the most important. There are numerous other amendments, all of which have my hearty approval.

It is my position that the war risk act should be amended in numerous respects not proposed by the pending bill. However, due to the parliamentary situation, no amendments are now permitted to be offered. This measure is being considered under a motion to suspend the rules, which makes it impossible for any amendment to be offered. Such a procedure can not be justified, except upon the ground that the present Congress is so near its end that there is not sufficient time for the regular and proper consideration of the bill.

EQUAL COMPENSATION BENEFITS FOR VETERANS OF ALL WARS.

Had the bill been offered under the usual procedure of the House permitting amendments, it had been my purpose to offer an amendment extending to Spanish War and Civil War veterans all compensation benefits now accorded to World War veterans. Upon numerous occasions I have protested upon this floor against the discrimination practiced against my former comrades of the Spanish War. I hold that it is fundamental that soldiers of equal merit and service who have served their country honorably in time of war should not be discriminated among merely because they served in different wars.

A soldier who served in the Civil War and was wounded in battle should receive the same compensation, pension, or whatever the relief may be called, as a soldier sustaining the same disability in the World War. The same principle is, of course, applicable to veterans of the Spanish War. It can justly make no difference whether a soldier lost his leg at Gettysburg, Santiago, or in the Argonne, and any system of soldier relief which makes such discrimination is fundamentally wrong and unjust.

BASE RELIEF FOR SOLDIERS UPON JUSTICE, NOT POLITICAL INFLUENCE.

Under existing laws a totally disabled Civil War soldier receives a pension of \$72 per month, a totally disabled Spanish War soldier gets only \$30 per month, whereas a totally disabled World War soldier receives \$80 a month, with an addition for his dependents. Again, the widow of a Civil War soldier is pensioned at \$30, the Spanish War widow receives \$20, while the widow of the World War soldier receives \$25 monthly. How is it possible to justify such discrimination? Soldiers of all

wars should be rewarded on the same basis, and their dependents should receive equality in treatment. The fact that those serving in the World War are more numerous and hence have greater political influence is no answer, although it is no doubt the real reason for the discrimination.

Upon several occasions upon this floor I have presented this same argument in behalf of equality of treatment of all soldiers. I favor liberality toward all those who have sustained disabilities in their service of the country, but such liberality must be equal to all and without regard to the voting strength of the various groups.

I wish to serve notice on the House now that upon every occasion hereafter upon which legislation is presented in the House in such way as will make such an amendment permissible, I intend to offer an amendment which will extend to the veterans of all wars the same compensation and other benefits as are granted to World War soldiers. I shall expect support for such an amendment from all those who love justice and equality. Particularly, I shall expect the support of any former World War soldiers who may be in the House of Representatives. I feel that in appealing to them in behalf of justice for Civil War and Spanish War soldiers I will meet with a sympathetic response.

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INSURANCE NOT LAPSED WHEN COMPENSATION DUE.

By section 408 of the present law, where an ex-soldier fails to pay premiums on his insurance at a time when there is due him for compensation for service-connected disabilities an amount in excess of the amount of his insurance premiums, and

such ex-soldier subsequently dies from said disability "without collecting or making claim for said compensation," then his insurance shall be held not to have lapsed and benefits thereunder shall be payable to his beneficiaries. By this bill the law is amended by striking out the words "or making claim for," so that where a veteran has claimed the compensation which was due him, but has not been able to collect it from the bureau, his insurance is not lapsed. This amendment was adopted in the committee upon my motion. There are numerous cases in which veterans have been entitled to compensation and have claimed it, but the bureau has failed to allow their claims or has delayed payment until the veteran has died from his disability. Surely the mere fact of having "claimed" the compensation ought not to cause the lapse of the soldier's insurance.

The time at my disposal is too short for me to discuss the amendments further. I have mentioned merely the most important. There are numerous other amendments, all of which have my hearty approval.

It is my position that the war risk act should be amended in numerous respects not proposed by the pending bill. However, due to the parliamentary situation, no amendments are now permitted to be offered. This measure is being considered under a motion to suspend the rules, which makes it impossible for any amendment to be offered. Such a procedure can not be justified, except upon the ground that the present Congress is so near its end that there is not sufficient time for the regular and proper consideration of the bill.

EQUAL COMPENSATION BENEFITS FOR VETERANS OF ALL WARS.

Had the bill been offered under the usual procedure of the House permitting amendments, it had been my purpose to offer an amendment extending to Spanish War and Civil War veterans all compensation benefits now accorded to World War veterans. Upon numerous occasions I have protested upon this floor against the discrimination practiced against my former comrades of the Spanish War. I hold that it is fundamental that soldiers of equal merit and service who have served their country honorably in time of war should not be discriminated among merely because they served in different wars.

A soldier who served in the Civil War and was wounded in battle should receive the same compensation, pension, or whatever the relief may be called, as a soldier sustaining the same disability in the World War. The same principle is, of course, applicable to veterans of the Spanish War. It can justly make no difference whether a soldier lost his leg at Gettysburg, Santiago, or in the Argonne, and any system of soldier relief which makes such discrimination is fundamentally wrong and unjust.

BASE RELIEF FOR SOLDIERS UPON JUSTICE, NOT POLITICAL INFLUENCE.

Under existing laws a totally disabled Civil War soldier receives a pension of \$72 per month, a totally disabled Spanish War soldier gets only \$30 per month, whereas a totally disabled World War soldier receives \$80 a month, with an addition for his dependents. Again, the widow of a Civil War soldier is pensioned at \$30, the Spanish War widow receives \$20, while the widow of the World War soldier receives \$25 monthly. How is it possible to justify such discrimination? Soldiers of all

wars should be rewarded on the same basis, and their dependents should receive equality in treatment. The fact that those serving in the World War are more numerous and hence have greater political influence is no answer, although it is no doubt the real reason for the discrimination.

Upon several occasions upon this floor I have presented this same argument in behalf of equality of treatment of all soldiers. I favor liberality toward all those who have sustained disabilities in their service of the country, but such liberality must be equal to all and without regard to the voting strength of the various groups.

I wish to serve notice on the House now that upon every occasion hereafter upon which legislation is presented in the House in such way as will make such an amendment permissible, I intend to offer an amendment which will extend to the veterans of all wars the same compensation and other benefits as are granted to World War soldiers. I shall expect support for such an amendment from all those who love justice and equality. Particularly, I shall expect the support of any former World War soldiers who may be in the House of Representatives. I feel that in appealing to them in behalf of justice for Civil War and Spanish War soldiers I will meet with a sympathetic response.

37730—23623

COOPERATION BETWEEN FARMERS AND INDUSTRIAL WORKERS.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, December 17, 1923.

Mr. HUDDLESTON. Mr. Speaker, I desire to discuss the possibilities of political and economic cooperation between the farmers and the industrial workers of the country. It is a subject well worthy of the consideration of both groups; it is one that should be considered by all who are sincere friends of either group. It seems to me that such discussion was never so timely as at the present time.

The President of the United States in his address to Congress on December 6, 1923, speaking of the farmer, said:

He must have organization. His customer with whom he exchanges products of the farm for those of industry is organized, labor is organized, business is organized, and there is no way for agriculture to meet this unless it, too, is organized.

The President's meaning is plain—the farmer must organize to protect himself against organized labor—their interests are in conflict—the farmer should place the blame for the gross disparity between the price which he receives for his products and the high cost of what he must buy upon labor—farmers and labor should be set off against each other as hostile groups and in perpetual conflict.

The President did not originate the thought. Paid propagandists are busy with its promulgation. It comes before us every day. It is presented in a thousand forms. There are great selfish interests involved. The schemes of these powerful groups depend upon selling the idea to the public and to farmers and laborers at large.

SUBSTANCE OF PROPAGANDA.

The substance of the propaganda, which has as its purpose to keep farmers and industrial workers separated, is that as each of the groups consumes the product of the other its selfish interest is to reduce the return which the other receives. Labor is told that the high cost of food and clothing is due to high prices on the farm. The farmer is told that the high cost of the articles which he buys is due to high wages exacted by the factory worker. It is boldly stated to both that the interests of farmers and labor can not be reconciled; that they can not act together. The propaganda goes even to the extreme of asserting that the hardships which each of the groups suffers are due to the other group.

Typical of this propaganda is an editorial included in a collection of railroad propaganda which came to my table to-day. The editorial is from Wallace's Farmer, published by a concern

of which Secretary of Agriculture Wallace is president. It no doubt states his views. I quote from it:

Railroad rates can not come down materially unless railroad labor is reduced. The cry of the general public for lower freight rates is meaningless unless railroad wages are to be reduced. * * * While the laboring man is not living any life of riotous luxury, he is nevertheless benefiting to a considerable extent at the expense of the farmer.

FALSE REPRESENTATIONS RESORTED TO.

Of course the propagandists are not content with the plain truth. Facts are distorted and some deliberate lying resorted to. For instance, high freight rates are charged to high wages for railroad labor. The truth is that for the month of September, 1923, railroad labor received the smallest percentage of railroad income since 1917. Out of the dollar paid for freight railroad labor received 43.33 cents for 1917. In 1920 labor's share was 59.59 cents, for 1922 labor's share was 47.50 cents, while for September, 1923, it was only 46.78 cents. Labor's share has fallen 12.81 cents on each dollar since 1920, or, stated in another way, the railroads now have 12.81 cents more out of each dollar to apply to dividends and other purposes than they had for 1920.

The effect of the reduction in labor's share is shown by the great increase in railroad earnings for the period from January 1 to September 1, 1923, as compared with the same months for 1922. I cite a few examples as illustrative of such increases:

EASTERN ROADS.

	1923	1922
Baltimore & Ohio.....	\$34,932,894	\$12,491,220
Chesapeake & Ohio.....	15,261,793	12,064,253
Delaware & Hudson.....	4,935,238	626,001
Delaware, Lackawanna & Western.....	9,427,912	5,058,501
Erie.....	12,653,555	1,267,283
Lehigh Valley.....	2,779,441	740,832
New York Central.....	60,493,603	35,037,988
Pennsylvania.....	63,813,986	57,163,338
Philadelphia & Reading.....	20,434,548	6,741,276
Wabash.....	6,755,309	3,244,356

SOUTHERN ROADS.

	1923	1922
Atlantic Coast Line.....	\$11,001,744	\$10,839,608
Louisville & Nashville.....	16,039,164	12,983,167
Seaboard Air Line.....	5,442,310	2,724,181
Southern Railway.....	20,034,710	12,801,964

WESTERN ROADS.

	1923	1922
Atchison, Topeka & Santa Fe.....	\$29,405,742	\$22,241,504
Chicago, Milwaukee & St. Paul.....	12,602,078	7,981,071
Great Northern.....	13,275,167	10,084,242
Missouri Pacific.....	5,671,625	5,344,679
Northern Pacific.....	8,616,092	8,386,742
Southern Pacific.....	32,319,156	25,760,910
St. Louis & San Francisco.....	13,785,594	11,425,141
Union Pacific.....	18,839,714	17,040,175

¹ Deficit.

LABOR COSTS EXAGGERATED.

The high price of shoes is falsely attributed to high labor costs, when, in fact, the difference in labor cost between 1913 and the present is an average of less than 40 cents per pair of shoes. A pair of fine shoes could be bought in 1913 for \$7.50. The labor cost then was about \$1 per pair. The same shoes

are now being sold at from \$14 to \$16, yet the labor cost is only about \$1.40.

You pay \$1 for a necktie at a haberdasher's, yet the labor cost of producing the necktie is only 10 cents. In \$100 worth of structural steel the share of labor is only \$20. For every \$100 paid for constructing an average building labor receives \$36.99, while \$42.88 is paid for materials and \$20.13 goes for profits, overhead, and so forth.

The high price of cotton goods is blamed on 30-cent cotton, yet ordinary dress goods runs from 12 to 16 yards to the pound. It takes about a pound of cotton to make three shirts, so that the cotton cost at 30 cents a pound is only 10 cents per shirt, yet compare the cost of shirts with before-the-war prices.

Wheat is cheaper than in 1913, but flour runs from 15 to 25 per cent higher. Labor should not blame the high price of bread on the wheat grower, for wheat is cheaper than it was 10 years ago, yet the price of bread is from 25 to 50 per cent higher. And so on down the line, the high cost of manufactured articles and food products yields no relative increase to those who labored in their production, but is absorbed by the exactions of profiteers, exploiters, and monopolists.

WEIRD TALES OF LABOR'S EARNINGS.

In furtherance of the propaganda, the farmer is told weird tales as to the earnings of labor. It is recounted what a great quantity of the products of the farm a day's wages will buy. If the farmer goes to buy a pair of shoes or an agricultural implement, the high price demanded will be charged to extravagant wages exacted by labor for its production.

On the other hand, the city laborer is told that the high cost of food is due to profiteering by the farmer, that the high price of clothing is caused by the exactions of the producers of cotton and wool, that shoes are expensive because hides are high. Indeed, by the same misrepresentations are producers of different kinds of farm products set against each other and prejudice invoked between members of different mechanical crafts.

Upon no other common subject is there so much misinformation afloat. So industrious are the peddlers of the propaganda that the very air is saturated with false impressions as to the return which producers and workers of all kinds receive for their labor. The farmer has little idea of the fearful economic strain to which industrial workers everywhere are subjected. The latter frequently aspire to go to the farm. They know little of the hard and stunted lives of those who till the soil. The industrial worker does not know that the farmer was successfully deflated in 1920. The farmer does not yet realize that labor resisted such deflation with only partial success and at a tremendous cost and sacrifice, and that labor's adversaries are yet deep in their plans for the destruction of its organizations and its complete subjection.

SELFISH GROUPS RULE BY SOWING STRIFE.

The source of inspiration for the effort to prevent cooperation between farmers and wage earners is obvious. Small groups are enjoying the chief benefits of our economic and political system. They have seized upon political power and are using it for their selfish advantage. They have usurped economic positions which enable them to exploit their less enterprising or less favored fellow citizens. Through monopolies, oppressive trade practices, and by perverting our economic system they have collected the bulk of the wealth of the Na-

tion into a few hands, have made industry their personal servant, and have monopolized our mineral wealth, water powers, and other natural resources. Only the farms are now left in distributed ownership, and year by year holdings of farm lands are increasing in size and the number of farm workers who own their own land becoming smaller. Even owners of small farms have become, through a mortgage system, mere tenants, in substance, of great financial interests.

These small but powerful groups are able to rule both in the political and economic world because of the lack of cooperation among the masses—the failure of the masses to work together. They rule by creating jealousy and prejudice among the various groups of the people and by setting the units of the people to fighting each other. Once the masses come to an understanding and learn to work together the dominion of the selfish classes will crumble into dust.

There is a present reason for the effort to keep labor and the farmers apart. They are finding each other out. They are coming more and more to know that their interests are not hostile but in close harmony. They are awakening to a fuller realization of their common interests and a recognition of their common enemy. The situation is not satisfactory to the powerful selfish groups. It seems that their victims are about to get together. The selfish interests would set labor and the farmer to tearing each other. They would again divide the producers so that those "who toil not, neither do they spin," may continue to dominate and to receive the best of everything.

It is indeed a strange situation that those who do the hard, dirty, and disagreeable work of production should be expected to remain content with the sheerest necessities of existence, while those who follow occupations of little or no value to society continue to enjoy not only the first fruits of the system but practically all of the favors of government. Such a situation is possible only when the producers are divided, are fighting each other.

And this the dominant few know full well. They realize that their success hangs upon disunion and strife among the producers, and so they and their affiliates, their parasites, and all the array which their influence is able to muster, are bent upon promoting strife and sowing dissension among the masses of the people which it is their purpose to exploit. They know that it is only by keeping the masses fighting each other that those who ride at ease upon their shoulders may remain secure in their seats.

NEED FOR POLITICAL AND ECONOMIC COOPERATION.

The two points upon which there is greatest need for cooperation between farmers and wage earners are in the economic and political fields. There is a desperate effort upon the part of the opposition to prevent them from coming together in either activity. Both are told that the interests of the other group are in conflict with theirs, and every sort of false propaganda is put forth to promote enmity and strife between them. Let us examine in the light of reason and known facts these issues and see whether there is harmony of interest between farmers and wage earners upon these points.

The present desperate condition of farmers generally is due to two things: First, the low prices which he receives for his products; second, the high prices which he is forced to pay for his supplies. The interests of labor are identical with his on both points. Low prices received by the farmer are not

reflected in the worker's cost of living. The industrial worker is also the victim of high prices in manufactured products. His wages are fixed, as are the returns of the farmer, by the harsh law of supply and demand. The wage earner works for the least return that the employer can force him to take, and the farmer receives the least return that those who handle his products can compel him to accept. The industrial worker is no more responsible for high-priced farm supplies than is the farmer the beneficiary of the high-cost of food and clothing.

THE FARMER IS HIMSELF A WORKER.

The farmer is a worker. His interests are no more opposed to those of the factory worker than are the latter to those of railroad employees or men in the building trades. The farmer consumes the product of the mechanic in exactly the same sense as the latter is the customer of the miner or railroad brakeman.

Indeed, the farmer consumes the product of other farmers. The cotton grower consumes the grain and hay of the western farmer. The latter consumes the cotton, potatoes, or beef of other farmers. Any conflict of interest between the farmer and industrial worker is exactly the same as between producers of different products of the farm, each of which must use the product of the other. There is even an apparent conflict of interest between farmers producing the same crop, since they are in competition in the same business and for the same market. Upon these piffling and short-sighted selfish reasons is it expected to keep apart the producers of agriculture and of industry.

But upon broader grounds and viewed as a whole the interests of all workers are in harmony. The farmer is a worker; as such it is to his interest that all workers should be well paid. There is nothing fixed about labor of any calling. To the contrary, labor is constantly flowing into better-paid callings, with the tendency to restore any disturbed equilibrium. For instance, if mechanical workers should be constantly better paid, farmers will pass into those callings. This operates to reduce competition among farmers and by decreasing production to enhance the price of their products and the return for their labor. The better-paid callings constantly draw off the surplus of labor, which produces better conditions in other callings.

The same principle applies as between farmer and industrial worker as between the various crafts of the latter. The grain farmer is benefited by the prosperity of the potato farmer on account of the tendency to draw farmers into growing potatoes, relieving the grain farmer of competition and producing an increased price for his labor. This principle is merely the application of the law of supply and demand, which at last measures the return which farmers and all other workers receive for their toil.

INDUSTRIAL LABOR THE FARMER'S BEST CUSTOMER.

But in a still more direct way does the farmer benefit from the prosperity of industrial wage earners. The latter are the best customers for the farmer's product. The farmer is dependent to a large extent upon home markets and home consumption. Nearly always low prices for farm produce are caused not by overproduction but by underconsumption—the inability of our home people to buy the normal quantity. This fact is illustrated by wheat, when the consumption dropped from 5.76 bushels per capita in 1919 to 4.18 in 1920, a drop of

1.58 bushels for each man, woman, and child in the United States, or a total of about 175,000,000 bushels underconsumption for 1920. Even 1919, with 5.76 bushels per capita consumption, was subnormal, for in 1915 the consumption was 6.02 bushels per capita, or 1.84 per capita, over 200,000,000 bushels above the 1920 figures. Industry was greatly depressed in 1920. Millions of wage earners and their families were underfed. They could not buy the normal supply of bread, and as a consequence wheat prices fell like a plummet.

The chief product of the farm is food. Practically all of its products are the staple necessities of life. Farm produce is consumed in practically equal quantities by persons in every station in life. Rich and poor alike are equal customers for what the farmer has to sell. Each consumes a substantially equal quantity and pays a similar price. It is only in luxuries that the per capita consumption of persons of wealth exceeds that of the poor. The necessities are in equal demand by all. In time of depression the rich reduce in luxuries, in jewels, limousines, and finer dwellings, but only when his resources are exhausted does any man cut his supply of bread. Therefore, in a depression, though the masses must skimp on food and clothing, the wealthy continue to consume the normal quantity of the necessities of life.

Prosperity of the wealthier classes of the farmers' customers means little or nothing to him. But prosperity upon the part of the masses means increased consumption of farm produce and better prices for the farmer. Prosperity of the masses inevitably produces an increase in consumption and price and eventually the prosperity of the farmer. The farmer is bound to the industrial worker by the strongest of all economic ties—he must look to him as the chief consumer of the produce of his farm.

THE HIGHEST DUTY OF STATESMANSHIP.

The highest duty of the statesmanship of America is to bring the producers face to face with the consumers in direct dealing so as to permit the least possible intervention of middlemen. The tendency of recent decades has been in the opposite direction. The proportionate number of those engaged in the production of the necessities of life has steadily decreased. Within 10 years prior to 1920 the farming population shrank from 33 to 26 per cent of the whole. An increasingly large percentage of our wage earners are engaged in the production of luxuries and articles which can not be classed as necessary to existence. In steadily increasing numbers are men being brought into callings which either minister to the rich or have a parasitic nature. Witness the growth of our great cities at the expense of the rural districts, with the rapidly increasing classes of speculators, traders, brokers, dealers, agents, and others who do nothing of any social value, not to speak of those altogether idle. Formerly the producer of the necessities of life produced only sufficient for himself and, say, six other persons. It is obvious that now he must carry on his shoulders some 15 to 25 persons.

The past eight years have brought an increase of over 100 per cent in the spread between what the producer receives and what the consumer pays. For illustration, where the producer formerly received a certain price and the consumer paid a 50 per cent advance thereon, the producer now receives even less in purchasing value than his former return, whereas the middlemen have more than doubled their profits. Prices to the consumer are wholly disproportionate to the return of the pro-

ducer. This aggravation of the cost of living is caused by the increase in middlemen, handlers, and speculators, and to combinations, monopolies, unfair trade practices, and to a welter of extortion and profiteering which we have inherited from the war period.

HOW PRODUCERS AND CONSUMERS ARE GOUGED.

It is estimated that for the year 1922 the farmers of the United States received a total of \$7,500,000,000 for their produce, and that for the same produce the consumers paid \$22,000,000,000. The farmer who produced the commodity received less than 30 cents from each dollar that the consumer paid for it, so that there went to handlers, speculators, dealers, carriers, and other middlemen 70 cents from every dollar that consumers paid.

In a recent article B. F. Yoakum, prominent in conservative railroad circles, stated that the Irish potato crop of 1922, totaling 451,185,000 bushels, yielded the farmers an average price of 50 cents per bushel, totaling \$252,000,000; that the consumer paid an average of \$2 per bushel for these potatoes, a total of \$902,000,000, leaving for middlemen and other handlers \$650,000,000 as a return for standing between the farmer and the man who ate his potatoes.

The possibilities of economic cooperation between farmers and wage earners are stupendous. I have no doubt that the next generation will see a tremendous advance along that line. We will see in America something of what is seen in the English Rochedale plan, in the Danish cooperative system, and in the long-extinct Russian cooperative societies. Only in America is there a better field for cooperation, because ours is a population better balanced in callings. I predict that within a decade we will find vast bodies of organized wage earners selling the product of cooperative mills and factories direct to cooperatives selling food and other produce from the farms.

Conceive of the farmers selling their 1922 production for double the \$7,500,000,000 which they actually received and realizing \$15,000,000,000 for their year's work, and on the other hand the consumers buying for \$15,000,000,000 what they were forced to pay \$22,000,000,000 for. What a wonderful prosperity would flow into both classes.

What a wonderful thing it would be if producers and consumers could be brought face to face and deal directly, each exchanging with the other the products of his toil. Conceive for a moment the producers of industry exchanging their products directly with the producers of food and other raw materials. The vision is of an unattainable ideal, but it is not without value as pointing the road that we should travel.

GOVERNMENTAL FAVORS FOR THE FEW.

Those who do the useful work of production and transportation represent about 85 per cent of our population; traders, agents, brokers, and speculators about 10 per cent; and capitalists, professional classes, and idlers about 5 per cent. What a commentary to find that all governmental favors and practically all public concern are devoted to the 15 per cent not engaged in production, and that the great bulk of our laws are passed at their instance and for their benefit.

The need for economic cooperation among farmers and wage earners is indeed great, but it is in the field of political activity that the need for cooperation is most urgent. The cry is loud and insistent for political partnership between farmers and wage earners to secure consideration by government of the pressing problems of workers of farm, mine, and factory. It is

the call of humanity that the great majority shall receive first consideration to the end that the business of doing useful labor may be fostered and those who toil in every activity be protected.

UNION FOR COMMON DEFENSE.

But it is not merely in the effort to secure laws for the protection of all men who toil that farmers and wage earners should unite. The most pressing call for united action is for their common defense. The workers on farms and in factories have common cause in self-protection from the aggressions of the selfish groups who have seized our Government and are perverting it to their selfish purposes.

The monopolists, the extortioners, the profiteers, all those who have perverted government into an instrumentality for working their own selfish advantage, must be dethroned. It is illogical that the few should rule the many and that the multitude should be victimized for the advantage of small selfish groups. I can not believe that it is in accord with the Divine will. There is no inherent natural difference in men of various classes. All come from the same source and all march to a common destiny. By sheer luck, the accident of birth, chance opportunity, unscrupulous greed, or, in a few cases, by preeminent ability, a relative few attain dominant positions of wealth, power, and authority. But there lies in none of these any sufficient cause or sound reason for reward and secured position for any group or class which may be inconsistent with the welfare of the masses of average men and women—the great public. Therefore it is the part of humanitarians as well as of statesmen to devote themselves to the cause of the common man.

As I have said, the political interests of the farmer and industrial worker are in full harmony, not only in a positive way but in the negative way of the matter of common defense. They have a common enemy. They are bound together with a tie of the same nature that bound us to the Allies during the World War. They are the common victims of monopoly, parasitism, speculation, profiteering, and of all of the exactions, oppressions, and greed of the exploiting classes. The latter are united in a sort of plunderbund, a solidarity in which they usually support each other's aims, tricks, and contrivances directed against the public welfare, even though as individuals some of them may be injuriously affected.

In this unity of interest against their common enemy the interests of the farmers and wage earners are bound up with those of the general public, small professional and business men, and in general the numerous groups which are not included in the common-enemy class. By the latter I mean unnecessary middlemen, parasites, extortioning financiers, oppressive employers, and in general those who make money out of cheap labor and unjust profits in trade.

Unfortunately, many of the groups which go to make up the general public have not yet been able to see the light and are often found on the side of the common enemy, doing his voting and carrying on his propaganda. However, farmers and industrial workers, as well as common men of every group, are rapidly becoming more enlightened as to their political, economic, and social interests, and I believe the day is not far distant when they will present a fairly solid front to their common foe. In such an endeavor they may have the happy consciousness that they are not only serving themselves but at the same time are serving the best interests of their country and of mankind.

THE SOLDIERS' BONUS.

SPEECH

OF

HON. GEORGE HUDDLESTON,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, January 24, 1924.

Mr. HUDDLESTON. Mr. Speaker, the soldiers' bonus has now been an issue in Congress for more than five years. Possibly it will be of some interest for me to state my connection with the subject and how it was originally brought forward.

ORIGIN OF BONUS LEGISLATION.

On December 5, 1918, within 30 days after the armistice was signed, I introduced H. R. 13255, which was the first bonus bill ever presented in Congress. A few days later I made an argument in favor of my bill before the House Committee on Military Affairs. On January 2, 1919, I made the first speech ever made in Congress in behalf of such legislation.

By my bill a bonus of \$180 was proposed for each soldier. That seemed to be the least amount that it was decent to offer, yet it was as much as I felt there was a chance to get. I considered that it would serve to pay for a civilian outfit and keep the discharged soldier for a few months, until he could find a job and reintegrate himself into civil life. Reference to my bill is found on page 169 of part 1, volume 57, of CONGRESSIONAL RECORD. My speech in behalf of the bonus is reported, beginning on page 955 of the same volume.

My plan for a bonus was new. The soldiers were in camp or overseas and thinking of little except how to obtain a discharge. Public sentiment was dormant. I was unable to secure much support for my bill, and Congress adjourned without any further action upon it. Six months later, with a new Congress in session, bonus bills became numerous, public sentiment was aroused, and Congress was alive on the subject. But the golden moment had passed. The bulk of the soldiers had found work of one kind or another. There was no longer the pressing and instant need for the legislation. No final action was taken. The subject has continued to agitate Congress down to the present time. Many who were indifferent when the idea was first presented are now clamorous for such legislation.

The soldiers needed the bonus most when they were discharged; but although their needs diminish with the passing of time, their right is the same now as at the beginning. If when the soldiers were discharged we were under a moral obligation to rehabilitate them and put them back into civil life, our obligation has not been liquidated by the lapse of time. It is

just as strong to-day as ever. I hold that there was such a moral obligation; therefore I shall not hesitate to vote for the bonus whenever it may come up, no matter how long delayed the payment of the moral debt may be.

HOW \$30 BONUS WAS ADOPTED.

At the time my bonus bill was introduced there was pending in the Senate a revenue measure which had been passed by the House of Representatives at the previous session. Agitation upon the subject caused the Senate to place a rider on that bill by which one month's pay was granted as a bonus to each soldier. In that form the bill passed the Senate and came back to the House.

I was shocked by the inequality of the allowance. It gave \$30 to the private, a larger sum to other enlisted men according to grades, and to the officers, according to their rank, a month's pay. To the private the allowance was only \$30; sergeants received as high as double that amount; while lieutenants were allowed, say, \$150, captains \$220, and so on up to a major general, who was given \$600 or more.

This division was not according to my idea of equity. Having been a soldier myself, I realized that most of the hardship falls upon the enlisted man, while the honor, the glory, and the pay go to the commissioned officer. I could not understand why a private soldier should not receive as a gratuity from his Government an equal amount with an officer who perhaps in civil life was not his superior in any way and probably had earned a smaller salary.

The House referred the bill carrying the Senate bonus rider to conferees, one of whom was the late Claude Kitchin, of loved and respected memory. I presented my views in opposition to the Senate amendment to Mr. Kitchin. He expressed himself as in harmony with them. The conferees amended the bill so as to allow a level \$60 to every soldier of whatever grade and rank, and the amount was paid.

EXTRACTS FROM FIRST BONUS SPEECH.

In course of my speech on behalf of my bill I said:

The war is over. We must now turn our attention from the problems of war to those of peace and reconstruction. The problem of war was simple; it was merely how to exert the greatest possible force. The problems of peace and reconstruction are complex and so difficult that they challenge the highest statesmanship.

It is now upon us to consider how we may restore our country and make good its awful losses in spiritual and economic values, in human life, and suffering, and in lowered standards of liberty, freedom of speech, and action.

The first and most pressing need is to take care of our discharged soldiers, to restore them to civilian employment, and to make good, in some small way, the financial injury which they have sustained. It is now nearly 60 days since the armistice was signed; 4,000,000 men are to be returned to civil life; already over 500,000 have been discharged; yet no adequate plans to care for them have been brought forward. Statesmanship seems indifferent. Amazing as it may seem, these discharged soldiers are being sent to their homes penniless and with no provision for their future welfare. Something must be done at once.

I also said:

The necessity for relief for the discharged soldiers is universally recognized. Measures for that purpose are being adopted by many of the important countries of the world. Great Britain gives each discharged soldier one month's pay and rations, family allowances for one month, and one year's insurance against unemployment. I am informed that Italy gives a gratuity of from one to six months' pay, depending on length of service. France has appropriated a billion and a half francs to be divided among her discharged soldiers. Canada proposes to teach her discharged soldiers farming, where they desire it, and to place them on farms and to give them a start with a loan up to \$2,500. Australia has appropriated \$200,000,000 and, as I am informed, proposes to lend as much as \$2,000 to start a soldier off as a farmer. In the United States vague plans for utilizing waste lands for soldiers have been mentioned, but nothing definite or adequate has been proposed. The proposal of the department's bill to give a gratuity of only one month's pay is the least adequate that has been offered by any country. In great America, richest and strongest of them all, it is proposed to do the least of all. It would be a shame to be so niggardly.

Also:

But, on the other hand, the side of this matter that most appeals to me is the stern necessity that something must be done. Few enlisted men save any money. Nearly all of them have made allotments and taken insurance. They have saved nothing, and will be discharged penniless. We will see them hunting work. Many of them will not find it at once. They will gather in the cities, and after a little while it may be that at the street corner some hero—a real hero of Chateau-Thierry or Belleau Wood—may stand in his ragged uniform and beg the passer-by for a meal. Such an instance would be a shame to America, and if it could be charged to Congress would be a disgrace to the legislative branch.

Also:

It is nothing but justice to give the soldier a substantial gratuity. Many of those who stayed at home have enjoyed great prosperity. Some have made immense fortunes. Wages as a rule were greatly increased. The soldier has lost the job he had before he went into service. He may have a hard time to get as good a one. We should do something to compensate him for his lost position and for the idleness which will follow on his discharge.

Also:

It will test the stoutest patriotism of the soldier to be discharged penniless after having offered his life for his country to find himself jobless and starving in spite of his best efforts to get work, and to look around and observe that while he was far away in the battle trench profiteers, war contractors, and captains of industry have heaped up their millions out of the opportunities that the war gave. The best remedy for the discontent that it is feared that a discharged soldier may feel is to help him back into a job and to care for him while he honestly looks for work—to restore, to make him whole economically, to make him understand the lively and lasting gratitude of his country.

LETTER TO NEWS AGENCY.

My views upon the bonus were stated in my reply to a recent inquiry received from C-V Newspaper Service as follows:

"GENTLEMEN: In response to your letter will say that having introduced the first soldiers' bonus bill offered in Congress and made the first speech made in Congress in behalf of such legislation I have had no occasion to change my views on the subject.

"America belongs to all of its citizens. All owe the duty to serve in her defense. The war was not the war merely of the soldiers who were sent to camp. It was the war of all the people of this country. There was no moral duty to serve and to suffer in defense of our country upon those who actually served as soldiers that did not rest with equal force upon citizens at large. The mere fact that a group of men were of a certain age, physical condition, and lacking in dependents was no moral reason why that group should suffer and serve to the exclusion of other groups not so situated.

"It seems fundamental that the duty of service rested equally upon all citizens, irrespective of age or condition. Some were unable to serve as soldiers in the field because of physical unfitness or other conditions, but that is no reason why those who did serve in the field should suffer financial and other losses in addition to hazarding their lives and the discomforts incident to service. Justice requires that the financial burdens be equalized between the citizens who served as soldiers and those who did not serve. It is appropriate, therefore, that the general public should indemnify the soldiers against their financial losses. That such were sustained there can be no doubt.

"I venture to assert that if they had been forced to make a choice between serving as soldiers and paying a reasonable bonus the vast majority of those who are now opposing the bonus would have preferred to pay the bonus of several soldiers. The only flaw in the bonus proposal is that there seems no practical way to place the burden upon profiteers, war contractors, grafters, and others who made money out of the war instead of making sacrifices for their country.

"Yours truly,

"GEORGE HUDDLESTON."

83219—108

WHAT HENRY FORD AT MUSCLE
SHOALS WOULD MEAN

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 7, 1924



WASHINGTON
GOVERNMENT PRINTING OFFICE

1924

91719—408



SPEECH

OF

HON. GEORGE HUDDLESTON.

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

Mr. HUDDLESTON. Mr. Chairman, the proposed amendment to apply the terms of the Federal water power act to Henry Ford's control of Muscle Shoals is for the purpose of terminating the contract at the end of 50 years, so that the works will then revert to the Government.

LEASE FOR 50 YEARS NOT LONG ENOUGH.

To fully utilize the water power at Muscle Shoals will require an expenditure of from \$300,000,000 to \$500,000,000, and will take from 25 to 40 years.

Most people make the mistake of thinking of electricity only in terms of power. It should also be thought of in terms of heat. Men think of electricity and visualize it in the form of lights, street cars, and revolving wheels. It should be visualized in the electric furnace.

To understand what electricity means to industry, we should study the situation at Niagara Falls, where it is demonstrated that electric energy is sometimes too valuable to be used for power purposes. Buffalo, 30 miles away, is forced to rely for power and lights upon a fuel plant burning coal brought hundreds of miles from the Pennsylvania coal fields, while the bulk of the Niagara electric energy is used for the production of aluminum, carbide, carborundum, cyanimid, quick steel, and the other alloys necessary to American industry, particularly in the manufacture of tools and automobiles. To produce these materials the high-temperated electric furnace is required.

There is a limit to the heat which may be produced by combustion. Temperatures above 1,000 to 1,500 degrees are quite difficult to produce from fuel. It is almost impossible to produce these high temperatures on a large scale by combustion. Yet the production of the materials which I have named requires temperatures of from 2,500 to 3,500 degrees. Where large units of energy are available, such temperatures may be obtained by the electric furnace without great difficulty. For this reason Niagara Falls has become the greatest center in the world for the production of aluminum, carbide, and the other products of the electric furnace. Niagara Falls is no longer a mere tourist resort, a goal for wedding journeys. It has jumped within a few years from a village of 10,000 to a busy industrial center of some 200,000 people, all because of the

electric furnace and its possibilities in connection with modern industry.

MUSCLE SHOALS AND THE ELECTRIC FURNACE.

If Muscle Shoals were adjacent to great cities and populous industrial centers, with large demands for power, Ford might well accept a lease for 50 years; but such is not a fact. There is no substantial demand for power in that section, beyond the supply now developed or which will be available upon the completion of developments now under way. Nashville, Chattanooga, Birmingham, and Montgomery are already served with water-generated power. The Alabama Power Co., which has a monopoly in Alabama, is building additional plants on the Coosa and the Tallapoosa. Already it serves almost every town and village in Alabama except Mobile, which will no doubt be served by its Tallapoosa plant. The fact is that there is even now in sight a surplus of water-generated power in that section, and there are numerous additional water powers which might be harnessed. The Alabama Power Co. has no use for Muscle Shoals. They are in no position to use it. They have no demand for its power. They can not afford to develop it.

If it were Ford's proposal to use Muscle Shoals for the production of power with the expectation of selling it to the surrounding territory, I should call him foolish indeed. The great use for Muscle Shoals, with its expensive development but tremendous possibilities, is through the electric furnace in the production of fertilizer, aluminum, carbide, and the steel alloys so essential to industry. To utilize its energy is not merely a matter of constructing a dam, turbines, and distributing cables, but the much more difficult and expensive task of building vast plants for the use of the electric furnace. A capital investment of hundreds of millions is involved—skilled employees by thousands must be assembled, a city of homes must be built. But even all of this is not sufficient. A market must be found or developed for the materials which will be produced. Yea, more. Sources of raw materials must be located, railroads constructed, and the means found for assembling the materials at the Muscle Shoals plants.

Take the case of aluminum. The Aluminum Trust, which at present has a monopoly in the production of this metal, obtains the bauxite ore from its Arkansas mines, carries the ore to East St. Louis, where the first steps in reduction are taken, then carries the product to Niagara, where it is finally smelted. It is said that the production of aluminum on a large scale is practically impossible except by the electric furnace. The Aluminum Trust owns all known to be available deposits of ore. To produce aluminum at Muscle Shoals Ford must find a satisfactory supply of bauxite. There is said to be much of this in certain sections of Georgia and Alabama, also in Tennessee. It is known to exist in small quantity near Leeds, in Jefferson County, Alabama. Ford must hunt out these deposits. He must test them to see whether they may be worked economically. He must assemble the ore and other materials at Muscle Shoals.

To utilize Muscle Shoals, Ford must produce hundreds of millions in capital. He must build railroads, assemble scien-

tists and skilled workers from every quarter and organize his working forces, make investigations, and carry on operations such as have never before been attempted by any one man, and he must seek in the industrial centers of the world a market for his productions. This is not a matter for a few years, but will require from 25 to 40 years, perhaps even longer, for its full consummation. There would be no hope for Ford to earn his investment back in 50 years. He could not afford to accept any lease short of 100 years. A vote for 50 years is a vote to reject his offer.

THE LABOR ASPECT.

I desire now to speak of the labor aspect of Ford at Muscle Shoals. It has tremendous importance to the workers in my district and throughout the South. It is largely because of my interest in them that I feel such deep anxiety that Ford's offer should be accepted.

Labor in the South as a rule is underpaid. Wages in the Birmingham mineral district range from 10 per cent to 50 per cent less than in other industrial centers of the country. The more skilled the worker the more nearly will his wage compare with wages in Gary, Pittsburgh, and Bethlehem. The common laborer receives, roughly speaking, about 50 per cent of what the same class of labor would be paid in northern industrial centers. Skilled men, such as mechanics in the building trades and foundries, get from 75 per cent to 90 per cent of what such workers receive in northern and eastern cities. The Alabama coal miner is the poorest paid in America.

The chief factor in this wage situation is the remoteness of the district from other labor markets. The Steel Corporation dominates the Birmingham labor situation. It is the largest and best employer; other large employers follow the Steel Corporation, and as a rule pay slightly less and give less attention to welfare work. There is no real competition among the great employers, and there is small choice, to the worker among them. He is forced to choose between the wages and conditions which they dictate and removing himself and family for hundreds of miles into some other labor center. The great corporations which dominate Birmingham are able to control labor because there is no real competition among them or between them and employers in the large labor centers. They are able to dictate to labor because the workers have no alternative. They are able to destroy the workers' unions and to drive from the district any worker whose activities may be objectionable to them.

FORD WILL COMPETE FOR LABOR.

With Ford at Muscle Shoals there will not only be industrial competition with the Aluminum Trust, the Cyanamid Co., the Union Carbide Co., and the other monopolists who, by reason of their favorable position as users of Niagara electric energy, hold their hands at the throat of American industry, but there will be labor competition with the Steel Corporation, the Republic Co., the Sloss Co., and the other great employers of the Birmingham district.

It will mean much to the workmen of my city and section. It will mean for every one of them a few additional

dollars in his pay envelope—better food and clothing for his wife and children, and a better house to live in. More than that, it will mean for the men who toil a certain measure of industrial independence—a choice whether they will work for the Steel Corporation and its imitators or may seek employment from a more humane and enlightened employer.

I do not wish to be misunderstood. I do not approve Henry Ford's labor policies. I find his statements concerning labor organizations utterly lacking in understanding, not only of the human element in labor, but of certain sound considerations of labor policy. I do approve in Henry Ford of his recognition of the fact that the way to get good work is to give good pay. At least he has sense enough not to stint the horse that he drives—sense enough not to attempt to buy his labor for the least possible wage that he can force the worker to accept.

The great labor significance of Ford at Muscle Shoals is well understood, not only by the laboring people themselves, but by the employers with whom he would compete for labor. The wage earners of my district are unanimous for the acceptance of Ford's offer. The large employers are practically 100 per cent against it. The latter have not had much to say publicly, but they have dealt with the situation in their customary under-cover way. Do not be misled. The large employer interests of Alabama are not for Ford's offer and never have been.

A very good evidence of this was the appearance of Mr. Ingalls, president of the Birmingham Chamber of Commerce, before the committee in opposition to Ford's offer. Mr. Ingalls is himself head of the Ingalls Iron Works and a large employer of labor. It will cost him more money for labor with Ford at Muscle Shoals. His pay rolls will be larger. He sees only the direct result, and though Ford might add half a billion to Alabama tax values and increase our population by 250,000 intelligent white people, Ingalls looks at the effect on his pay roll and not upon the secondary effect of a larger business and in the end a more profitable enterprise.

The American Federation of Labor at its Denver convention in 1922 adopted a resolution indorsing Ford's offer and urging its acceptance. Since he gave the *Collier's* interview expressing such amazing and half-baked opinions on politics and labor, the Federation has not renewed its efforts. However, while those who are authorized to speak for labor do not approve his ideas, it remains that Ford's methods are much to be preferred above those of Gary and other great employers.

BIRMINGHAM EATS OFF THE WAGE EARNER.

The Birmingham district is essentially a labor district. The great industrial concerns have their local officials, but few of their stockholders live in my city. The community is supported by the wage earners. The great bulk of the money spent there originates in the pay envelopes. Birmingham eats off the wage earner. He is the source of whatever prosperity we may have. Back to his industry may be traced the dollars which constructed our palatial residences, our business blocks, and which lie in the coffers of our banks.

It makes little difference to Birmingham what the profit of the man who owns the works may be. He lives in a distant city and has no local interests. Perhaps he is merely a bondholder who cashes his coupons and never saw Alabama and does not know that Birmingham is on the map.

But every dollar that a wage earner receives is spent at home. It goes to his landlord or his grocer or for other necessities. Those who receive it from him pass it on to the professional classes and to the banks and larger business interests, who are bound by this indissoluble economic tie to the humble workers in the mines and in the mills.

For instance, one of our foundries sells a trainload of pipe to a customer overseas for, we will say, \$20,000. The profit on the sale stops in New York or some other financial center. A small percentage of the cost goes to local company officials, but the bulk is handed to grimy workers in their pay envelopes on Saturday night, and through them my city draws all of the benefit which comes to it from the transaction.

In such a situation local business and commercial interests would be expected to be in full harmony with the wage earners. However, strange to say, in any dispute over wages between the workers and the great concerns which employ them, usually the more important merchants and business men line up solidly with the nonresident employer. They fight against themselves and their own best economic interests, and this not because merit is on the employer's side, for they make no inquiry as to the merits of the dispute. Impelled by irresistible social and class consciousness, they line up on the employer's side without regard to the righteousness of his position.

While usually elements identified closely neither with labor nor with employers side with the latter in all matters in conflict, this rule does not obtain as to Ford's offer for Muscle Shoals. Practically every business man in my district who is not a large employer recognizes the desirability, from the standpoint of his own interest as well as of the general public welfare, of accepting Ford's offer.

EFFECT ON ALABAMA POLITICS.

I have discussed the labor aspect of Ford's offer for Muscle Shoals from the standpoint of a citizen of Alabama. There is another local slant which this subject has which perhaps may escape those not acquainted with conditions in Alabama. The subject has a local political aspect of high importance.

Alabama in many respects is highly progressive—politically our State is decidedly reactionary. I will not now take the time to state the genesis nor the factors which have produced existing political conditions. It is enough to say that my beloved State is dominated by political influences of a highly reactionary kind. The Alabama Power Co., and other industrial concerns, in combination with reactionaries and selfish politicians, hold Alabama in the hollow of their hands. Life to a public man in Alabama is uncertain and in most cases brief unless he is willing to "listen to reason" with these interests. The Alabaman who aspires to serve his State and country will find his way a path of thorns and his hold on public life precarious if he dares to antagonize the great corporations and the ringsters who are their political partners.

The masses of my State are progressive. They suffer for want of leaders and lack of means to make themselves felt and heard.

The right of suffrage is denied in practical effect to thousands of native-born white persons. In my own county there are probably 100,000 native whites above 21 years of age. Yet the largest vote ever cast was less than 27,000. This is not because of lack of interest, but because our laws are contrived to deny the vote to the poor, the transient, the thoughtless, and those who are too busy in the fields, mines, and shops to qualify. A voter must live two years in the State and one year in the county. He must have paid his poll tax for every year since 1901; a default of a single year disqualifies him. Payment of poll tax is purely voluntary. No one asks it of him. He must hunt up the collector and tender it. It must be paid before February 1 or will not be accepted. He must be duly registered, and the facilities for registration are inadequate. The result is that a majority even of eligible whites are disqualified. I am informed that the congressional district which I represent, among its native-born white population, has the smallest percentage of qualified voters of any district in the United States.

REACTIONARIES THWART PROGRESSIVE MASSES.

Alabama is in urgent need of civic reforms—reforms which can not be achieved under existing political conditions and without more liberal election laws. Despite Ford's "queer" political opinions, he can not join with the Steel Corporation, the Alabama Power Co., and other elements now in control. He can not "lie in the same bed" with them. He will constitute a third angle to the political situation, and on him the progressive masses may rely for help.

But apart from the personal influence of Mr. Ford, the thousands of intelligent operatives which he will assemble at his Muscle Shoals plants will constitute a splendid reinforcement for the progressive elements of my State. Our masses may look to them for help in solving our political problems and making of our State that which as of right, because of its resources and the quality of its people, it ought to be—the greatest State in the Union.



THE RAILROAD LABOR BILL
(THE HOWELL-BARKLEY BILL)

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 2, 1924



WASHINGTON
GOVERNMENT PRINTING OFFICE
1924

100308—818

SPEECH
OF
HON. GEORGE HUDDLESTON

By unanimous consent, Mr. HUDDLESTON was granted leave to address the House upon the Howell-Barkley bill, H. R. 7358, to abolish the Railroad Labor Board and provide for the settlement of disputes between carriers and their employees by conference, adjustment, mediation, and arbitration.

Mr. HUDDLESTON. Mr. Speaker, it is with hesitation that I rise in the attempt to answer the remarks of the three outstanding champions in the House of the "philosophy of standing still." [Applause.] I should not do so except for the fact that the gentleman from Kentucky [Mr. BARKLEY], who introduced this bill, is unavoidably absent to-day. I felt that some advocate of the bill should make some sort of reply to the big guns of the opposition, Mr. SANDERS of Indiana, Mr. WINSLOW of Massachusetts, and Mr. HAWES of Missouri.

When I learned on yesterday that these gentlemen had obtained leave to address the House on the Howell-Barkley bill, and that Mr. BARKLEY was absent, I asked for time for myself. They had not announced upon which side they would speak, but that was unnecessary. We, who are acquainted with their habit of thought, their attitude of mind, and their point of view, would have been grossly surprised had we come here to-day and heard them make any different arguments from those which they have made, or take any different positions from those which they have taken.

The gentleman from Missouri [Mr. HAWES] is correct, so far as I know, in saying that he had not previously expressed himself on the bill; but I knew just as well as I knew the sun was going to rise to-day that at this hour and in this place I would hear the gentleman from Missouri offering some splendid reasons—I almost said excuses—for his resolve to obstruct the passage of this bill.

Oh, there are many ways of opposing measures, many ways of preventing the will of the people from being written into law, and perhaps one of the ways is just as legitimate as another. Perhaps it is just as legitimate to stab under the "fifth rib" as it is to strike in the face; perhaps it is just as legitimate to oppose bringing up a measure in the only practicable way possible as it is to say "I am against it under any and all circumstances." The people who work on the railroads—the train crews, shopmen, and others—do not feel any particular interest in whether a Member is opposed to their bill coming up or whether he is against it after it comes up. They are men of common sense and are interested in results. They will judge him by the consequences of his action.

COMMITTEE OVERBURDENED WITH LITTLE THINGS

I have almost shed tears over the pitiful plight in which the Committee on Interstate and Foreign Commerce has been portrayed. Bowed down with, oh, such an opulence of juris-

dlection, multitudes of important measures pressing upon it, and no time to do anything except report bridge bills. [Applause.] Congress has now been in session for five months, and that committee, the busiest in the House, has been sitting almost daily, yet they have never completed hearings upon a single measure of prime importance.

No hearings on any measure of prime importance have been completed by that committee, yet 175 important bills are still before it. Are you not sorry for the committee? Do you not want to do something to relieve them of their burden? They have bridges to be thinking about; they have Cape Cod to think about, the Panama Canal, the Coast Guard, the light-house system, and a thousand and one trifling and unimportant things, and they have no time to give to railroad legislation or other matters of prime importance. [Applause.] Do you not want to do something for this great committee and its amiable chairman? I beg you do something for him, relieve him of some of his burdens, take away this troublesome Howell-Barkley bill and bring it before the House.

I remember how the gentleman from Massachusetts [Mr. WINSLOW] fought for jurisdiction of the St. Lawrence ship canal bill, how he succeeded by might and main of his influence in wresting it away from another committee and bringing it to the Committee on Interstate and Foreign Commerce. Having done that noble deed, we have never mentioned that bill in the committee from that day until this. [Laughter and applause.]

The committee is burdened with a multitude of bills. There are dozens of bills of tremendous importance to the people of this country pending before our committee. There are bills to repeal other objectionable provisions of the transportation act. There is a bill to deal with section 15a, but it has not been considered and it will not be considered. There is not a chance to get such a measure before the House except by some method such as this which is being used on the Howell-Barkley bill.

Our committee are disciples of Fabius. We follow his strategy. We quote Fabius to the people of the country, who are vitally interested in these important bills, "If you are a great soldier, you will make us come down and fight." That is our answer, and in the meantime we hold interminable hearings upon unimportant bills; we are always busy, very busy, doing little things that might as well be done a year hence, or possibly never.

COMMITTEE FOLLOWS FABIAN STRATEGY

On the motion of the gentleman from Missouri [Mr. HAWES] we took up the truth in fabric and misbranding bills nearly three weeks ago, and since doing so he has honored us with his presence only upon one day, so far as I can recollect. We have gone on and on, holding these hearings day after day, with iteration and reiteration. We have never had a quorum present; this morning only two Members, the gentleman from Nebraska [Mr. SHALLENBERGER] and the chairman of the committee were present. I do not blame Members for staying away. They know the committee is just following the Fabian strategy,

busying themselves with doing little things so as to avoid being called upon to do important things; they know that nothing worth while is going to happen, so what is the use of going to the hearings and wasting their time.

I would like to see a real misbranding bill brought out by the committee, but do not imagine that I am such an optimist as to expect it. Such a measure as will be brought out, if any at all, will be such as the great exploiting interests of the country want brought out.

Next Monday, May 5, is going to be an eventful day in this House. We are going to put in operation for the first time the committee-discharge rule. Did we mean to use it when we adopted it? When we voted for it, did we really believe in it? It will be an eventful day, because those who did not really believe in the rule will find an excuse to vote against using the rule to bring the Howell-Barkley bill before the House.

Oh, the gentleman from Kentucky [Mr. BARKLEY], so the gentleman from Massachusetts [Mr. WINSLOW] says, argued against the adoption of the committee-discharge rule and now is going to use it. He sees an inconsistency in that. That is for the gentleman from Kentucky [Mr. BARKLEY] to defend against if it needs defense, but it looks to me like he has paid a tribute to Mr. BARKLEY. He has shown that he at least had intelligence enough to see the light, and the House having adopted this rule, he proposes to take advantage of it and use it for the benefit of the people whenever possible. But the gentleman from Massachusetts [Mr. WINSLOW] and the gentleman from Indiana [Mr. SANDERS] are undoubtedly consistent. They voted against the adoption of the rule, and they are going to vote against using it. They believe in the policy advocated to-day in his speech by the gentleman from Missouri [Mr. HAWES] of throttling bills in committees, of killing legislation which the people want because a committee has been so arranged and adjusted and manipulated that a majority can not be induced to vote for it. [Applause.]

FORCES OF REACTION WORKING EVERYWHERE

The gentleman from Missouri [Mr. HAWES] seems to think that because in my State it is required that a bill be referred to a committee and reported therefrom I am precluded from all argument. Let me say to the gentleman from Missouri [Mr. HAWES] that the forces of reaction are working down in Alabama just the same as they are here in Congress. Just as there are in Congress, so there are those in Alabama who do not want the voice of the people to be heard or their interests considered, and want to find some left-handed way of striking down legislation without meeting it squarely and saying "yes" or "no" upon the merits of a measure.

But let me say in defense of my State, that it is beyond the power of a committee in that State to pigeonhole a bill like this bill has been pigeonholed in the Committee on Interstate and Foreign Commerce. Under the established procedure in the Alabama Legislature a measure referred to a committee by a majority vote can be forced into the open for consideration and passage, exactly as we are trying to do here now.

Oh, the issue is plain, gentlemen. Let us not deceive ourselves; we will be unable to deceive anyone else. Let us not argue here with sophistry and subterfuge and evasion about this matter. The whole question is, Are you for this bill or are you against it? That is all there is to it.

It seems to me the part of courage to meet the issue squarely, and I want to say to you that the people who believe in this bill will interpret your action, whether it be by "sideswiping" or some more direct method; they will interpret your action correctly. Do not forget that.

When, against the practically unanimous opposition of the laboring people of the United States, we passed the Esch-Cummins bill four years ago they were very much wrought up over it. They have remembered it down to this good day against some Members who previously had been their friends. And Members of Congress who voted for that bill have complained to me and said, "I have always been a friend of labor and they ought not to hold this against me. They did not warn me. They ought to have told me in advance that they were going to accept my action upon that bill as the test of my friendship for them, so that I might have understood what consequences would ensue." Without thought of any threat or desire to influence your action it may be that I am doing my duty by you, gentlemen, to tell you, simply as a matter of information, that the laboring people of this country have set their hearts upon this bill and are going to accept your action upon it as the test of your professions of friendship for them. [Applause.] Now, no man can hereafter say he was not warned in time.

LOOKING ONE WAY, BUT SHOOTING ANOTHER

The gentleman from Indiana [Mr. SANDERS] said—and I ought to be able to repeat it because I have heard it so often here—the gentleman said, "I believe in organized labor." I have heard that so often in this House, and so often have I heard it come from gentlemen whose professions were the sole evidence of their statements. They said they "believed in organized labor" but always they voted against the things that organized labor wanted and asked. And I have heard another type of gentleman say, "I believe in labor, in those who toil, but I do not believe in labor organizations." That also is an old story, for I have noted on so many occasions that I might almost say always, that those who make that profession are, even as they make it, getting ready to strike at the common man, and are merely offering an excuse for the injustice which they are about to do.

I can well understand the type of mind and the political philosophy of Members who believe that those of wealth and intelligence and those who belong to the upper social classes should rule the country, and should enjoy special privileges and receive the best of everything. We once had a very respectable President of the United States who held to a similar philosophy. Gentlemen in these times are usually not so bold and open as he was, but many of them still hold to that same philosophy. Given a man who feels that way I can at least understand his voting against the common people, and I can

understand his fighting labor organizations, the only organized fighting forces that labor has for its defense.

If a man holds to that theory, he is entirely consistent in fighting labor and organized labor and everybody that does not belong to the favored classes and being all the time for those who ride upon the shoulders of the masses. I have more respect for a man of that type than I have for one who says, "I believe in organized labor," yet always stabs organized labor, or who says, "I believe in labor but not in the unions," yet always stabs at common men and women.

Mr. BARKLEY called this bill to the attention of the committee. He moved that the committee take it up as soon as it had finished a measure which it was considering. Discussion was had, and it was decided to take up two certain matters of legislation as soon as the matter under consideration was finished. Then Mr. BARKLEY moved that his bill be taken up next following, but the committee voted by a majority against taking it up.

The bill went into the long sleep. The committee did not vote that they would never take it up. Nobody ever heard of a committee doing anything like that. But they resorted to exactly the same method as they would had they intended never to take it up.

I am sorry that the Members of the committee who have spoken are not more clear in expressing their candor. They cast the haze over the House that if given more time they would take up the bill, give it consideration, and favorably report it. Yet they know that nothing of the kind is contemplated or will be done. The committee might hold hearings as a "bluff"; but hearings would be futile, for every member of the committee knows there is not the slightest chance on earth that the bill will be favorably reported by the committee during the present Congress or even during a Congress 10 years from now if the committee should remain as at present constituted.

HOWELL-BARKLEY BILL MISEPRESENTED

Now, gentlemen, I want to discuss the bill somewhat on its merits. A great hullabaloo has been raised over it. These big guns of the stand-pat policy have tried to make you believe that it means tremendous things, something revolutionary. I suppose their attitude is owing to their revulsion against anything that would touch the Esch-Cummins Act. Having brought that measure out of committee and foisted it upon the country, having incorporated in it section 15a, which has raised railroad rates from 25 to 40 per cent, having thrust into it the labor sections which produced the greatest strike this country ever saw, having done this great work, they feel there is something sacrosanct about the Esch-Cummins Act, and pray the Deity to strike any man who dares lay a hand on that "ark of the covenant." If a majority of the Members of the House agree with them, the sooner we know it the better.

The people of the country will find out next Monday just what to expect of the House. There is no use bluffing that you are trying to give the people relief if the majority of the House is against it. Next Monday will be a very good time for the people to find it out. That will be before the elections. It is

timely that we should know on next Monday who are the Members of the House who want to do something to remedy the wrong that was done by passing the transportation act of 1920.

Mr. JACOBSTEIN. Is it not a fact that President Harding recommended legislation which would amend the Esch-Cummins Act in a speech delivered in Kansas City, Mo., June 26, 1923?

Mr. HUDDLESTON. Yes; President Harding urged that the act be amended so as to stimulate consolidation, and stated that he would have legislation to that end brought before the present Congress. President Coolidge, in his address to Congress of December 6, 1923, said:

The Labor Board was established to protect the public in the enjoyment of continuous service by attempting to insure justice between the companies and their employees. It has been a great help, but is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested, there should be no hesitation in enacting such agreement into law.

He also at that time urged amendments to the act which would stimulate consolidation of railroads and which would provide for a reorganization of the rate structure.

WHAT "DON'T TOUCH THE TRANSPORTATION ACT" REALLY MEANS

But the gentleman from New York [Mr. JACOBSTEIN] must bear in mind that the transportation act becomes sacred literature only when it is proposed to amend it so as to reduce rates or to relieve labor or do something else for the benefit of the general public. It is not sacred against amendments to further the interests of the railroads. Our committee would already have reported such amendments had there not been the fear that thereby countenance would be given to some "vicious" effort to amend the act in the interest of the people.

The railroads fear that, once amendment is started, some provision that is not for their interest will be inserted. Hence we have the nation-wide propaganda for standing still. "Don't touch the Transportation Act." That is the cry of every railroad executive, and its echoes come back from every railroad-controlled organization, individual, and newspaper in the land.

In harmony with the position of the railroad managers and the powerful financial interests back of them and the echoes which they have called from commercial bodies in nearly every whitewashed village in the country, the majority of the Committee on Interstate and Foreign Commerce have accepted the dogma of the inviolability of the Transportation Act. I remember that in the course of his speech in behalf of the bill when it was being forced through the House four years ago I heard the gentleman from Indiana [Mr. SANDERS] say that it was "a great constructive piece of legislation." His phrase has hung to me until this day. A "constructive piece of legislation" which raised railroad rates from 25 to 40 per cent and provoked the greatest labor disturbance in all the history of the Nation. But they hang to their obsession that no profane hand must be permitted to defile it.

A MOVE FOR PEACE NOT FOR STRIFE

This bill is a measure for industrial peace and not for strife. It is true it comes from the minds of leaders of the American

labor movement. It represents the best effort they can make. It is not destructive legislation such as that advocated by the gentleman from Kansas [Mr. TINCHER], whose statesman-like bill proposed the flat repeal of the labor sections of the act, and to leave the railroads and the employees to fight to a finish. It is constructive legislation, intended to present a remedy for labor strife in transportation. It is peace legislation, and will make for peace and harmony between the carriers and their employees and thereby promote the general public welfare. Let me say to you, my friends, that the twelve hundred thousand members of the labor organizations advocating this bill are men and women, citizens of this country and consumers, and as much interested in keeping transportation going as any class of people in the world.

In point of fact, the laboring man is more interested in preserving industrial peace than either the employers or the public. Always the laboring man is interested in preventing strikes. Always the strike costs the striking laboring man more than it does anyone else. True, the public has an indirect interest and the employer also has an interest, but the laboring man has more at stake than all the rest. When he goes on a strike, whatever the final result may be, he makes the sacrifice of a part of his life. His commodity, the only thing he has to sell, is labor; and that part of his irreplaceable stock in trade, measured by the period of the strike, spoils upon his hands and is lost to him beyond recall. The necessities of life for himself and his family, his hope of making himself independent for his old age—all these things go when the strike comes.

Let me, as one who knows the intelligent workingman, say to you that every such man enters upon a strike even as you would go upon a surgeon's table for a major operation—only as a last resort. The laboring man strikes because he feels that his loyalty—not to his immediate, selfish interest, but to his class, to his calling, to his wife and children, and to other workingmen who shall come after him—demands that he make the sacrifice. The laboring man goes out upon a strike even as a soldier goes into the front-line trench to fight for his country, fighting not for himself but for all common men, that their labor may be made to yield a just return and their future be assured. Of course the strike costs him more than anybody else.

RAILROAD EMPLOYEES WANT PEACE

The railroad employees of this country want peace between themselves and their employers, and they realize that there can be no peace under the present system. After long and careful consideration and with the aid of the most skilled advice, they have drafted this bill. They have worked it over and over from every angle. Having completed the bill they submitted it to the administration itself. They were referred to Mr. Hoover and had consultations with him. He considered the measure from the standpoint of the public. He endeavored to get the railroads executives to meet with their employees to discuss this bill but they declined to do so.

Mr. NELSON of Wisconsin. Is there a single thing in this bill that the railroad employees ask for themselves that they have not equally accorded to the carriers?

Mr. HUDDLESTON. Not one thing on earth. There has been more misrepresentation about the purpose of this bill than any measure which has been before Congress within recent years.

So that no one will misunderstand I state that the President was approached about this bill by the committee which drafted it. He referred the committee to Mr. Hoover and they submitted the bill to him. Mr. Hoover made two suggestions for changes, which after discussion he did not insist upon. He made an effort to get Mr. Holden and the representatives of the railroads to confer with the committee, but was unable to get them to do so.

What does this bill do? There is not a single important element of untried legislation in it. Do not take my word or that of the gentleman from Indiana [Mr. SANDERS] for it, but study the bill. He has tried to scare you, and, as you know, he is a very able man and good at scaring. I want each Member of the House to acquit his conscience by studying this bill for himself, and making up his own mind about it. Do not take anyone's opinion.

I repeat, however, there is not a single substantial piece of new matter in the bill. The Esch-Cummins Act, the sacred literature of the gentleman from Massachusetts [Mr. WINSLOW] and the gentleman from Indiana [Mr. SANDERS] dealt with this subject. As it was originally brought upon the floor of the House and passed by the votes of both those gentlemen the Esch bill provided for boards of adjustment and expressly provided that the labor representatives on those boards should be designated by the chief executives of the several labor organizations, specifically naming the organizations. These boards were permissive boards. The bill went over to the Senate, which passed the Cummins bill, which provided a compulsory system for the settlement of labor disputes. The legislation then went to conference.

The gentleman from Massachusetts [Mr. WINSLOW] has emphasized the need for consideration of the Howell-Barkley bill and for hearings upon it. Yet we find that when the Esch-Cummins bill went into conference entirely new labor sections were written into that bill by the conferees. No hearings whatever were held. Those sections were written by the conferees alone. The House was not taken into their confidence. The entire bill was rewritten in eight days. There was not a tenth part of the debate over it that already there has been over this bill. The conferees wrote the labor sections of the transportation act and there they provided for adjustment boards. I wonder if the gentleman from Indiana [Mr. SANDERS] has read that act recently. Section 302 reads:

Boards of labor adjustment may be established by agreement between any carrier, group of carriers, or carriers as a whole, and any employees or subordinate officials of the carriers or organization or group of organizations thereof.

Mark you, that is a provision of the existing law. The boards are permissive or voluntary. The only difference between exist-

ing law and the provision in the Howell-Barkley bill is that the latter makes the creation of adjustment boards compulsory.

Mr. NELSON of Wisconsin. The gentleman from Indiana stressed the fact that wage questions would not be taken up by the adjustment boards. Is not that so in the present law?

Mr. HUDDLESTON. Yes; under existing law wage questions are considered only by the Labor Board.

ONLY CHANGES FROM EXISTING LAW

The only substantial changes made in existing law is: First, to substitute for the present Railroad Labor Board, a Board of Mediation and Conciliation; and, second, to make the creation of adjustment boards compulsory instead of voluntary.

Mr. MILLS. Is it not likewise true that under the present law boards of adjustment may be created for a single railroad system as between the carrier and its employees, whereas in your bill you provide solely for national boards?

Mr. HUDDLESTON. The existing law provides that the boards may be created by a carrier, group of carriers, or the carriers as a whole.

Mr. MILLS. Whereas your present bill provides only national boards of adjustment? Is not that the fundamental difference?

Mr. HUDDLESTON. No; I think it is merely an advance in the line of economy, efficiency, and good sense, so that instead of having a hundred adjustment boards throughout the country dealing separately with every carrier over the country and every dispute separately we provide for only four boards. What would be the expense for the multitude of boards created as the gentleman from New York [Mr. MILLS] intimates he would like to have done? Instead of costing \$500,000 a year they would probably cost many times that much—they would cost vastly more and accomplish no better purpose. It would be an utterly nonsensical thing to do.

PASSAGE OF BILL MADE NECESSARY BY FAULT OF RAILROAD MANAGERS

Why has it become necessary to pass this bill? Because the adjustment boards, made voluntary under the transportation act, are by it made compulsory. That is the answer, because the railroads refused to appoint the boards under section 302 of the transportation act and the result was that every labor dispute and grievance that originated among the millions of employees was thrown into the Railroad Labor Board, which was thereby so deluged with cases that they could not possibly accomplish their work. These disputes were thrown for decision into the Labor Board, which was wholly inadequate to meet the situation. The result was that several hundred of these cases are pending even to this time; some of these cases have been pending from two to three years with yet no prospects of a decision. The unavoidable delay in decisions became a denial of justice and will remain of itself a matter of grievance as long as we fail to provide some means of relief by which they may be determined.

What the employees are trying to do is to promote peace. And what are the railroads trying to do? I give you the key to it in the statement made by Mr. Atterbury who was one of

the labor committee of the railroad executives appointed to consider what they should do with reference to section 302. Eight out of nine of that committee of the leading railroad executives of the country agreed that if they should appoint the adjustment boards it would promote peace, and these eight recommended that the carriers should cooperate with the employees in creating the boards. But one man stood out, the hard-boiled financier Mr. Atterbury, who boasted that "he had learned his lesson in France." He stood out and his influence, and that of the Wall Street interests which stood back of him, were strong enough to force the adoption of his recommendation by the railroads instead of the recommendation of the eight other members of the committee which had dealt with the subject.

What reason did Mr. Atterbury give for his position? I have here an extract from his minority report:

As an evidence of the interest of the public in this situation, I invite attention to a question recently submitted by the United States Chamber of Commerce to its membership throughout the country to a referendum vote. This question, which is analogous to that with which we are dealing, read: "The right of open shop operations; that is, the right of the employer and employee to enter into and determine the condition of employment relations with each other is an essential part of the individual right of contract possessed by each of the parties."

And the vote was: In favor, 1,665; opposed, 4.

Remember that this vote was taken under the auspices of that great benevolent institution the United States Chamber of Commerce. Mr. Atterbury said further:

Private ownership is on its last trial.

Atterbury said that, which shows that he thinks along the same line as the gentleman from Indiana, Mr. SANDERS, who made about the same statement in his speech to-day. Mr. SANDERS said that this effort on the part of the railroad employees to promote peace between themselves and their employees is an attack on private operation. That is what all that type of gentlemen say. They see a Bolshevik in every bush, and if they see a man with corns on his hands they know that he has a bomb in his coat tail.

Mr. Atterbury further said:

Can it be possible that you will deliberately invite a condition inevitably enlarging the power and amplifying the influence of those forces which are determined to wrest from your control the properties which you now operate?

Do you notice that these men whose affairs run into millions and who represent great interests love to talk about lands, railroads, and houses as "properties" just like that? He said:

Throughout the critical situation through which the railroads have passed from Federal control to their return to private ownership, the railroads have had, most generally, the sympathetic cooperation and support of the industrial and commercial organizations.

Later he added his climax:

Our duty is clear. **MAKE NO CONTRACT WHATEVER WITH THE LABOR ORGANIZATIONS.**

So now, my friends, you have the reason why the railroads refused to appoint the adjustment boards. It was because that by acting with them in that matter they would recognize the labor organizations. Those of the Atterbury school made it a question of whether they would recognize the labor organizations or fight them to the death. It is these railroad executives, who want to destroy the labor organizations, who are now fighting this bill. They have inspired every little town in the country large enough to have a civic body to send to Congress a lot of foolish propaganda against this bill.

WHERE OPPOSITION COMES FROM

The inspiration for the opposition of the Howell-Barkley bill comes from three sources. The first is those who have been misled by the cloud of misleading propaganda which had been emitted by the railroad executives, who are fighting the bill. The purpose of the bill has been grossly misrepresented to business interests, officials of short-line railroads, company union men, and the public generally. Well-meaning but misguided persons from almost every community in the country have been induced to write or wire their Congressman opposing the bill. Few indeed are the instances in which these parties have read the bill or have any fair idea of what it means. Their opposition is based on cold ignorance and their willingness to obey a prod from the "higher ups" of railroad lawyers and railroad officials.

The railroad propagandists have told business men to oppose the bill on the ground that "the public is not represented on the adjustment boards." There is no provision for public representation on the adjustment boards provided by section 302 of the present law. There was no reason for public representation, because the adjustment boards, alike under section 302 and under the Howell-Barkley bill, deal merely with grievances and disputes between the carriers and their employees in which wages are not involved. The public has no interest in these disputes. Nonexperts could not function in settling them. On the other hand, to take the place of the Railroad Labor Board in its function relating to wage contracts, in which the public is interested, instead of a board with three public members and equal numbers of labor and carrier members, as provided by the existing law, the Howell-Barkley bill creates a board of mediation composed wholly of public members and with no labor or carrier representatives thereon.

The short-line officials have been told to protest that the Barkley bill would interfere with their labor or in some other way harmfully affect them. This is not true. The short lines will be left in exactly the same situation as they are under existing law. No additional duty will be imposed upon them. They will not be forced to do anything whatsoever against their will. They will be left to settle any disputes or wage questions by conferences with their employees, just as they may now do, and if their employees are willing to work for 50 cents a day they can still work for that amount under the Howell-Barkley bill. There is no attempt by the bill to enforce union contracts, rules, conditions, practices, or other matters upon any carrier or employee.

THE "COMPANY UNIONS."

The "company unions," "system unions," and "shop unions" are so-called labor organizations, organized with the permission and under the fostering care of the employer. In most cases they are under the employer's control, do his bidding, and are intended for no other purpose than to be used as a club to fight the regular organizations. In the case of the Pennsylvania system's unions the members pay no dues. Their sole function consist in voting for their officials upon ballots upon which each voter must sign his name and which are counted by company officials. It is said that the union officers elected in this way are usually those dictated by the company. The union members hold no meetings, and their unions' existence is merely colorable. The P. R. R. Company pays the expenses and transportation of the officers of the union and any compensation which they may receive. The company even pays rent for the offices which the union officials occupy. Of course, such a union is merely an arm of the company. It represents the company and in no sense can express the sentiments of the employees.

The company union men, who probably number from 150,000 to 300,000 nominal members, have been told to protest against the bill on the grounds that it would force them under the control of the regular organizations. This is wholly untrue. They will be left to continue their separate existence, nominal and fugitive though it may be. They can go on negotiating with their employers and accepting employer dictation as they are forced to do. There is nothing in the bill to prevent this.

But the company union men say that the labor members of adjustment boards will be composed of members of the regular organizations. This does not follow. Any labor organization organized on craft lines is free to make nominations for the adjustment boards if by their fundamental law the nominating organization is no confined to a locality or system—that is, it must by its fundamental law be of the nature of a national organization. It is intended that the adjustment boards shall be composed of experts and that the labor members shall be skilled craftsmen, competent to deal with disputes relating to their crafts. This purpose necessitates nominations by a craft organization, and since the boards are to have national jurisdiction, manifestly it is proper that the nominating organization should not be circumscribed by its fundamental law and confined to a single locality or system. All that the company unions need to do to entitle them to make nominations is to organize along craft lines and to omit from their constitutions any limitation upon their geographical extent and activity. We may thus have a dozen independent national organizations and associations of company unions and each of them nominating members of adjustment boards in opposition to the nominees of the regular organizations. And the President, in appointing the boards, may name the nominees of the independent, outside, or company union organizations.

And there is the opposition which comes from gentlemen like those who have spoken here to-day who regard the Transportation Act as a piece of sacred literature, from which for anyone to

take away or add a word is to invoke damnation upon their souls. They look upon it as something that must not be changed and apply to it the words found in the last chapter of the Book of Revelations:

If any man shall take away from the words of the book of this prophecy, God shall take away his part out of the book of life, and out of the Holy City—

that is to say, he shall be damned, or something worse. [Applause.] With them it is the same with the Transportation Act. They worship it. And in the meantime the people of the country groan under the burden of excessive railroad charges and the railroad employees feel that they are being deprived of their rights in connection with their employment.

Then there is another source of opposition: They are the labor haters, those who, like Atterbury, say, "Make no contract whatever with the labor organizations." A lot of this opposition comes from men who under all circumstances are fighting the workingman's organizations and who say, "Do not treat them as though they were human beings. Beat them down. The first thing you know they will be thinking they are men. Beat them down. Use every process of force. Destroy their organizations, undermine their confidence in their leaders, drive them down to be the brothers of the ox." That is really the philosophy back of their attitude. I wonder whether, here in this popular branch of the American Congress, where men have come fresh from the great body of the people—I wonder whether such a philosophy will be sustained. God forbid that it should.

THE RAILROAD LABOR BOARD A FAILURE

The Railroad Labor Board as an instrument for promoting labor peace has failed. Its usefulness, if any it ever had, has ended. The failure of the board has been due in part to its faulty constitution. I quote from Mr. Hoover's address to the Transportation Congress on January 9, 1924:

The present set-up of labor adjustments has not given entire satisfaction, and in considerable degree this is due to inherent faults in the construction of the board and in its authorities. We have in this board confused four different functions in labor relationship. The board has in parts the machinery for collective bargaining, for arbitration, for conciliation, and judicial determination,

The board has failed in collective bargaining because it tried to represent both sides. It has failed as an adjustment board because it was controlled by nonexpert public members who of course could not function. It has failed at mediation because it had carrier and labor members who were partisans of their separate sides. It failed as a court both because it had carrier and labor members who were partisans and because its decrees were unenforceable.

But the failure of the Railroad Labor Board has in chief been due to the fact that the employees became convinced that it had been packed against them and that its public members were prejudiced, partisan, and unfair. Even two of its labor members were appointed against the wish of the employees and without having been nominated by the organizations to which they

were credited. Its public member, Chairman Hooper, became an active propagandist against the employees, and while quite complacent over the flouting of the board's authority by the railroads was tremendously aroused when the employees retaliated.

The Railroad Labor Board has failed. Already certain of the powerful labor organizations have definitely decided to ignore the board entirely in future and to endeavor to settle their issues directly with the employing railroads. A few months ago, by direct negotiation with the great New York Central, the train organizations made a contract which yields them an advance in wages. Following that precedent the bulk of the great systems west of the Mississippi have negotiated contracts with their employees.

There appears to be a general tacit understanding that the Labor Board is useless and can not function in future. We are left, therefore, either to revert to the labor system in force prior to the Erdman and Newlands Acts under which railroads and their employees might negotiate contracts with each other or resort to strikes and lockouts disastrous to transportation, or to adopt some law which will promote negotiations and adjustment.

Shall the employees and the railroads fight to a finish, with the stronger left to impose its will upon the other, incidentally crucifying the public interest, or shall the public intervene by a moderate and reasonable law to promote labor harmony in the railroad world? This is the issue which is squarely up to us. It is to meet this issue that the labor organizations have prepared this bill and are asking that it should be considered by Congress.

Not by any means are all railroad executives opposing this bill. The opposition comes in chief from those who have organized company unions to fight the regular unions and who are more interested in destroying the labor organizations than they are in successfully operating a railroad. These men oppose the bill chiefly because it was proposed by organized labor. As a matter of fact, there is really nothing in this bill which should provoke the opposition of any railroad official, whether he is opposed to the unions or not. The opposition of this class is largely due to blind prejudice.

But there is no doubt that the railroad interests generally are unfavorable to the bill not because of the bill itself but because of the fear that it will prove the entering wedge for other railroad legislation. They are opposed to railroad legislation of any kind. Their cry, which they are transmitting through Civic bodies and other interests under their control, is, "Let the Transportation Act alone"; "Let us give it a further trial." They would be glad enough to amend the transportation act in particulars for their own interest if they could be sure that it would not lead to amendments offered by the interests which they are exploiting. They fear the repeal of section 15a and the reduction of freight rates. They fight all amendments in the interest of holding section 15a and their present extortionate rates intact.

"PEACE AND WAR; TAKE WHICH YOU PLEASE"

Do not think, however, my friends, when you vote for this measure on next Monday, that you are voting for or against the labor organizations, you Members who live in rural sections and who have no labor organizations or other interests except the farmers. It is not merely a question of labor. It is a question of peace in the transportation industry. It is a question whether we shall have transportation interfered with by labor strikes or not. It is a question of whether we will settle disputes between railroads and their employees by peaceful methods or by the strike. That is the choice that you are invited to make.

As a sort of spokesman for the employees, I may quote the words of the Roman ambassador:

Here we bring you peace and war; take which you please.

Which do the interests of the folks at home require that you take? Will you stand with employers who can not see an inch beyond their noses and strive to drive down the American workingman to a lower basis, or will you carry in your hearts the future of our country, its development, and what may follow in the way of prosperity and success in the years that are to come?

These laboring men have brought you a bill, not drawn in their own interest, but drawn in the public interest. They ask you to bring it before the House. Are they not entitled to have it considered? Will you consign it to remain at the tender mercies of the Committee on Interstate and Foreign Commerce? If you do, do not rise up and plead infancy and non compos mentis when the question is hereafter brought up, because I tell you that to refuse to discharge the committee means that this bill will never come before the House, and you will never have an opportunity to consider it.

Consider the bill on its merits. If you feel it ought to be voted down, vote accordingly, of course. But do not shove it in a pigeonhole. Do not refuse these twelve hundred thousand working men a chance to get their measure considered. Examine it for yourselves. The issue is before you.

Mr. NELSON of Wisconsin. There are hearings in the other Chamber on this question, are there not?

Mr. HUDDLESTON. Answering the question of the gentleman from Wisconsin, I say yes; full hearings on this bill have been held by the Senate committee. The railroads have been represented at those hearings by nearly a dozen of the ablest railroad executives in this country, including their able attorney, Colonel Thom. They have said everything that could be called an argument that men can say against this bill. Also, the proponents of the bill have presented their views in a brief and succinct way. Those hearings have been printed. Get a copy of them. Read them, and prepare yourselves on the bill. They are better hearings than those that would have been held by our committee, for they are shorter. They are long enough. Read the hearings, and let us have a vote on this bill. [Applause.]

CONSCRIPTION OF PROPERTY AND LABOR FOR WAR

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 3, 1924

Mr. HUDDLESTON. Mr. Chairman, the proposal to conscript property and labor for war is, upon the surface, highly attractive, but fundamentally it is vicious and illogical.

The proposal has for its avowed purposes to take the profits out of war and to strengthen the national defense. In reality it will do neither. On the other hand, it is open to the most serious objections. Its advocates appear to have dealt with the proposal in a purely objective, near-at-hand sort of way and not to have tried to think it out to the ultimate result or to visualize the consequences that it may ultimately produce.

CONSCRIPTION OF PROPERTY NOT A NEW IDEA

As an abstract proposition all will agree that there should be no profits made out of war. All will agree to the justice of the position that if men are to be conscripted for war, property should also be taken. These ideas are not new. On July 9, 1917, in a speech which appears in part 8, volume 55, of the CONGRESSIONAL RECORD, page 479, I said:

It seems fundamental to me that there should be no profits in war; that neither financiers nor war contractors should be allowed to make money out of their country's misfortune and from human misery and suffering.

Men are being conscripted for the war. Why should not profits and incomes also be conscripted? What moral right is there in big business concerns to pile up swollen fortunes while the country is being bankrupted and bled white? This war should be paid for by those who are able to pay, by those who make a profit from it. They should not be permitted to come out richer than they went in, while the plain people come out decimated and impoverished.

I reiterated on numerous occasions that "no man should be allowed to come out of the war richer than he entered it."

But not always may abstract principles be made rules of action. My views remain the same as during the war. I realized then that it was impracticable to attempt to conscript property; that the final results of such an attempt would prove disastrous; that it were better to permit profit making than to try to stop it by such a means; that it would "be insane to burn the house merely to destroy the vermin."

WHAT THE PROPOSAL IS

The proposal for the conscription of property and labor is presented by several pending measures. Typical of them is H. R. 4841, a bill drafted by a committee of which the commandant of the Army War College, General Ely, was a member and probably the controlling influence. We may therefore accept this bill as showing the attitude of the military mind.

H. R. 4841 authorizes the President, when he considers war to be imminent, to conscript "material resources, industrial organizations, and services" at his discretion, and to fix prices for "services and commodities," both for public and private use.

The bill authorizes the conscription of men of all ages for labor in public and private works. It authorizes the conscription of men to labor for private persons and in privately owned plants from which the owners make profits.

Much was said at the hearings concerning the conscription of all property and of the entire population. But the bill does not so provide. It leaves all persons not required for service as laborers or soldiers free. It authorizes the fixing of prices upon essential services and commodities. It leaves producers and dealers in nonessentials to profiteer at will.

CONSCRIPTION OF PROPERTY AND LABOR

Not attempting to point out the many technical and minor faults of the bill, I prefer to discuss upon principle the proposal which it presents, to wit, the conscription of property and labor for war.

The reasons for my opposition to the conscription of soldiers have often been stated in the House. My position remains unchanged. I will not reiterate my views on conscription of soldiers, but will discuss the aspect of the proposal which contemplates the conscription of property.

However, I refer briefly to the proposal to conscript men for labor in public works and in private enterprises. The constitutional authority to conscript soldiers is found in the power granted Congress to raise armies. There is no provision which can be stretched into an authorization to conscript men for the performance of labor not connected with the production of war materials. The conscription of labor is therefore violative both of fundamental principles and of the clauses of the Constitution which protect civil liberties.

The conscription of labor, where the entire population is not drafted, is a violation of the principle of equality which the proposal professes to protect. Even if the entire population is taken, there is a resulting inequality unless all are placed at the same kind of work. Labor of all kinds is not merely labor, for some callings are more hazardous and some are less pleasant than others. To conscript a man to do hard, dirty, and monotonous drudgery is quite different from conscription for some light and interesting employment. To conscript a man to perform the duties of a calling which he has heretofore followed makes the rule of social maladjustment and inequality into an edict of law. Men follow the occupations which will bring them bread and do the work which they are able to find, and not all work is of equal desirability, nor are all tasks performed by those best fitted for them.

As to conscription of labor for private enterprises or for private advantage it is scarcely necessary to point out that this is merely a form of slavery. It is a slavery in which the master is not required to own the slave and has not the incentive of selfish interest in his welfare and not even to recognize a tradition of a master's duty and honor. And such a system it is proposed to establish by starting with the workers of America.

A COMMUNISTIC ATTACK ON PRIVATE PROPERTY

The proposal to conscript property for war is a direct attack upon the institution of private property such as would be worthy of extreme communism. It is an attack from above and not from below. Constantly we are warned by the champions of property rights that there is danger that the property-

less multitude may strike at private ownership as an institution. Here we have an attack on property by the Government itself.

A precedent is established of subverting the owner's interest because of an emergency due to war. But war is merely one of many conceivable causes of national emergencies. Flood, famine, and plague may produce emergencies as great as war. If private ownership may be set aside for a war emergency, it may with propriety be set aside on account of other emergencies. And at last the principle being established it is left for those in position of decision to say what is an "emergency." The propertyless masses may conceive of an economic emergency arising from the collection of natural resources and wealth into the control of a few. The proletariat may find in the conscription of property for a war emergency a precedent for confiscation to remedy economic conditions. The attack on property, started from above by those who control the machinery of government, may yet be offered as an excuse for an attack on property from those dissatisfied with the distribution of wealth.

CONFERS POWER NO DESPOT HAS EVER DARED TO EXERCISE

The proposal authorizes the President to conscript property and men at discretion upon a finding that war is imminent. It confers upon the Executive power exceeding that ever given to a constitutional monarch and such as even a despot has never in the world's history dared to exercise.

Under the Constitution the President is Commander-in-Chief of the Army and Navy. By virtue of this authority already he may wage actual war, although Congress has refused to declare war. He may send our Navy to bombard seaports and our Army to invade nations with which we are at peace. The President having power to involve us in actual warfare, there is no check upon his authority other than the power of Congress to withhold the soldiers and supplies required to conduct a war.

With the power to conscript property an ambition-mad President might wage war against the overwhelming will of Congress and the people. With the country turned into an armed camp he might rule indefinitely as a military dictator. No Old World "war lord" ever had such power as it is proposed that democratic America shall concede to its President.

SUSPENDS THE GUARANTIES OF THE CONSTITUTION

It is fundamental in the American system that the Constitution remains in operation alike during peace and war and that its safeguards are never suspended. The authorization to conscript property and men upsets for the period of its exercises all constitutional safeguards. It suspends the functions of Congress and courts and throws the people upon the mercy of military authorities, of which the President is the supreme head, and who must regard his will as law. It establishes an absolute military autocracy to continue during the will of the dictator. With the Nation converted into a military camp and under a military régime there can no longer remain trial by jury, exemption from search and seizure, or any of the forms of civil liberty now guaranteed by the Constitution—all will be suspended, possibly lost beyond recall. The control which the President is authorized to exercise over men and property goes to this logical extent.

VIOLATES FIFTH AMENDMENT

It makes no difference whether the conscription of property takes the form of price fixing or of physical seizure and use, it is a taking of property. The war powers which, by construction, Congress is given, of course, can not override the express provisions of the Constitution, which secure to the citizen actual possession of his property and the freedom to contract with regard to it.

It is very clear that the conscription of property for war or other emergency is a taking of property within the prohibition of the fifth amendment to the Constitution. It is clearly a violation of the fifth amendment and probably of other constitutional provisions.

Always I fear the entering wedge. If conscription of men for soldiers and workers is a proper exercise of the functions of government, there is warrant for governmental concern to see that men are fit for the taking, and the Government may logically interfere in every detail of men's daily lives, to correct their habits, conduct, and practices to the end that they may be more efficient when conscripted.

If conscription of property is proper, then the Government is warranted in seeing to it that the most desirable property is available for the taking. And again there is no bounds beyond which officialdom may not go in meddling with the affairs of the citizen.

COLLECTIVISM AGAINST INDIVIDUALISM

The opposing schools of political thought are the individualists and the collectivists. The former hold that by the exercise of individual responsibility may the evolution and development of the race be best promoted. The collectivists regard society as a mass, a whole, and look for development through raising the general level, including the lowest and weakest elements.

The individualist holds that man has a natural moral right to govern himself, to order his own actions, to live his own life, and that no restrictions should be placed upon the individual except for the protection of the rights of other men. The collectivist is not interested in the individual and feels that he has no natural or moral rights inconsistent with the welfare of the mass.

It is undoubtedly true that our civilization is developing toward collectivism, and that the rights of the individual are held in diminishing regard. Conscription of men and property can be excused only upon the principles of collectivism. Unless we are prepared to accept in its entirety the philosophy of collectivism, we should oppose conscription in all its forms, or, if accepting anything of conscription at all, carry it no further than the occasion absolutely requires.

To conscript unnecessarily or merely to gratify a taste for abstractions is to strike at individualism. Conscription in any form is a step toward collectivism. This is illustrated by the proposal to conscript property, which follows logically upon the conscription of men. No one would have dared to make such a proposal had we not conscripted soldiers. That affords the excuse and the precedent for the conscription of property.

Those who object to Government ownership of railroads and other utilities should recognize that the proposal under discussion goes infinitely further toward collectivism.

CONSCRIPTION OF PROPERTY IMPRACTICABLE

The proposal is unworkable and impracticable. Conscription of property must take the form of physical seizure or of

fixing prices. The major part of property is not useful for war purposes. If all is seized, the expense and the vast machinery required for administration will far outweigh any possible benefit. If only the useful property is seized, there will yet be waste, disorder, and difficult machinery to manipulate, with inevitable discrimination, favoritism, corruption, tyranny, and every conceivable governmental abuse.

To whatever extent property may be seized, there will result a corresponding social and economic disruption, with consequences of far-reaching extent and lasting long after the war has ended.

If there is conscription by the fixing of prices, the benefit, in any event, will probably not equal the harm which will be done. Prices are to be fixed for the period of the war only, with no account of the previous prices or prices after the close of the war. Again, there will be overwhelming disruption and confusion, which only the greatest war disaster would cause. The most serious economic aspect of war is the disrupting of the ordered channels of business activity. Governmental price fixing will greatly aggravate the economic disorder which follows a war and make worse that which must necessarily be bad.

The proposal is that "in case of war" the President shall be authorized to conscript. The authority is not contingent upon the strength of our adversary, but may be exercised upon war with some puny and ineffective power. He may exercise it in a war with the least of the nations if in his opinion it is desirable. We may therefore find a war deliberately provoked merely to bring this great power of the President into play, and find it exercised for reasons and under conditions never contemplated by Congress.

There are many who advocate peace-time price fixing for monopolized products or to prevent undue profits. The answer of their opponents is that freedom of contract is inherent in our system and fundamental. If, however, prices may be fixed because of a war emergency, they may with propriety be fixed because of any emergency or for other good cause. In conscription by price fixing, a precedent will be found for price fixing at any and all times—and away with the freedom of contract.

WILL NOT TAKE PROFIT OUT OF WAR

To conscript property either by seizure or fixing prices will not take the profit out of war. It begins with the beginning of war or when it is imminent. Profits which have been made in anticipation are left intact. During the year and a half prior to our entry into the World War greater profits were made than during the period of the war. The year and a half following the signing of the armistice was a continuous orgy of profiteering and profit making.

Perhaps, after all, the profit makers most dangerous to peace are those who make a business of furnishing Army and Navy supplies between wars—the preparedness-for-private-profit element. Vast profits are made in times of peace by Army and Navy contractors. It is to their interest that there should be great armaments on land and sea, and they foster war scares and other movements for the increase of Army and Navy. Their activities tend far more to produce conditions which make for war than the alleged influence of those who expect to make money while the war is on. The bill does not attempt to reach the peace-time military contractors nor to take away their profits.

The advocates of the proposal agree that where property is seized or prices fixed the owners shall be allowed a rea-

sonable return for its use or profit in its sale. Again, the opportunity for favoritism and corruption in the exercise of discretion in fixing the profit and return.

No class ever derives benefits from war comparable to the professional soldier—the officer who has chosen arms as a profession. With war comes his opportunity for distinction and for rapid promotion. In war the officer caste receives the highest social honors and respect with an accretion of dignity to its calling. The officer is honored and glorified, with a corresponding enhancement of influence and emoluments. Trained to arms, he naturally relies upon force and regards war as a reasonable and proper means for the settlement of disputes between nations. No scheme for deprofiteering war should omit regard for this influential class of war beneficiaries.

DEPRIVES PEOPLE OF POWER TO VETO WAR

The Government of the United States belongs to our citizens. It is the instrumentality by which they express themselves and work their will. The people have the right to govern this country, even to misgovern it if they choose. The people are the source of all authority and have the right to decide public questions. It is a natural and moral right belonging to our system. The people have the right to decide whether there shall be peace or war. To wage war against the deliberate will and judgment of the majority is an indefensible governmental usurpation. There should be no declaration of war not supported by the considered judgment of a substantial majority of the people.

It is practically impossible to have a worth-while referendum upon war. The institution of war under our system must be left to the legislative and executive branches. But there should always be left to the people an opportunity to express their will upon it. They should always have the power to veto the war by refusing to support it. One reason why I have always opposed conscription of soldiers is that it deprives the people of their opportunity for decision upon war by forcing them to serve whether they agree with the justice of the cause. I oppose conscription of property upon the same grounds. It is not only bad public policy and violative of democratic principles, but it violates the natural and moral right of the citizen to take his property for the support of a war waged against his will and for purposes which his conscience does not approve.

PACIFISTS—EX-SOLDIERS—MILITARISTS

Strange to say, the proposal to conscript property and labor has assembled as its advocates antagonistic groups such as pacifists, ex-soldiers, and militaristic advocates of preparedness. Each group supports the measure for separate reasons of its own, reasons which are faulty and illogical except as to the militarists, whose position is in part well taken for their purposes.

The pacifist theory is that it will discourage movements for war. This theory assumes that expectant profiteers deliberately cause wars so that they may derive profits therefrom. Such influences are the least of all factors in producing war. The prospect for profits is too remote and dependent upon too many contingencies, and the hazard of loss too great to move any substantial number, no matter how selfish and wicked they might be. The profit makers are usually already men of property. Not all such men make war profits. Frequently they sustain heavy losses because of war. Profit making from war depends largely upon chance, the securing of con-

tracts, the particular business in which men are engaged, and other factors which no one can foresee.

I fully agree that in the main wars are about property interests and their consequences are measured in terms of property, but the activities of profit makers most dangerous to the Nation's peace occur prior to war and only finally culminate in war. For illustration, financiers and industrialists advocate larger military forces so as to increase the Government's influence in imperialistic practices—in finding markets and opportunity for investment, and other means of exploitation of foreign fields. It is with no deliberate purpose to cause war that the financier demands of his government that he be given a share in a foreign loan, or that the Philippines be retained so that he may invest and trade. The war comes maybe a generation later as the final and unforeseen result of governmental activity taken at his behest, and possibly by the war his investment and accumulations are lost. He did not will the war. Probably he will be dead when it comes.

All efforts to prevent or avoid wars which do not take account of the causes of war are wasted and vain. Wars can not be prevented by paper agreements. They are preventable only by dealing with their causes. Foolish indeed is the pacifist who hopes to avoid war by preparation for war, by organizing his country for war, by increasing its military strength and preparing to wage the most effective war. Such measures do but promote the war spirit and develop the "will for war" and the reliance upon force instead of upon right.

The ex-soldier, rankled by his own conscription, demands that property be put upon an equality with men. But let him reflect that among the conscripts themselves some were exalted and others thrust into the mire—there was no equality, for hundreds of thousands found the easier places and the easier way. Millions of others, for no sufficient reasons, were excused and exempted, and millions more were over or under age, and other millions were not conscripted because they were women. Under no possible system of conscription of soldiers can there be an equality of sacrifice.

Nor would the conscription of property produce equality of sacrifice, for never can the jeopardy of property equal the jeopardy of life, nor can the loss of property bring a pang equal to that of the soldier in the field. Equality of sacrifice, like equality of opportunity, is an abstraction and must remain a dream. In seeking it we must not enter upon impracticable and unsound schemes which will lead us far astray.

FAULTY LOGIC OF THE MILITARISTS

Of the groups supporting the measure only the militarists are sustained by a measure of logic. With conscription of men and property at the discretion of the military Commander in Chief, our Nation will be organized for war as never in all history was any nation before us. It will intimidate the nations, and will give us temporarily a preponderating strength. With one hundred and ten millions of population potentially under arms, backed by vast natural and industrial resources and an aggregate wealth of near three hundred billions, the nations will have cause for fear for our maneuver.

The nations will probably tremble temporarily. They will tremble until they themselves have put similar measures into operation. They will tremble only until by alliances they have restored their relative strength. Then we will be exactly where we began and the world will be camped on a field mined with deadly explosives.

It is the way of all "preparedness." It leads toward war, for it is preparedness for war and not for peace. Nations that arm themselves drive nations with conflicting interests to arms, and the more thorough the preparation of one nation the more thoroughgoing must be the organization of its possible adversaries, until with each increase in burden in the competition in armaments a point is finally reached when the burdens become more onerous than even defeat might be, and the pressure to put the contest to an issue becomes irresistible.

There is no "adequate preparedness." Its meaning comes to depend wholly upon the strength of possible combinations of adversaries, and as the preparation must be made "adequate" to each change in the condition of the adversary there can be no stability and nothing fixed, but always an increasing competition in the burdens of alliances and armaments. All for doing a vain and useless thing.

Again, war is not merely a matter of machines and automations. The human element must not be overlooked. At last, courage and love of country are necessary. Those who drive on and on with militaristic measures do not seem to realize that conscription does not make for love of country, that state slavery does not tend to produce intelligence, courage, and patriotism. In the long run the bravest men and the best soldiers are to be found among the freest men. Even with the world's brief experience with conscription it is demonstrated that conscript armies are not finally the most reliable. The test of a soldier is defeat. The free, the voluntary soldier, reforms and fights again, but the soldier who was driven to the trenches is freed by defeat and goes his way. The world never saw such military collapse as that which followed upon the defeat during the World War of the conscript armies of Germany, Austria, and Russia.

Therefore those who drive for conscription of men and property go forward to destroy the quality of the materials with which they would seek victory—as they sacrifice the liberties of the people for efficiency in war, they destroy the efficiency which they would promote. Conscription is not an instrument for permanent military success. Rather it is a means to final destruction and defeat.

WAR SHOULD BE OUTLAWED

I am in full harmony with those who would prevent war. I would join them in outlawing war and, failing that, in minimizing its horrors and its consequences.

War is a crime against civilization and humanity. It is the most stupendous folly of mankind. Few wars are worth what they cost, for the price of victory nearly always outruns any benefit which may be gained. Even in victory there is defeat, for in success are nearly always the seeds of eventual disaster.

War is never justified unless it be fought in defense of liberty. No people ever gained an increased measure of liberty for themselves by waging a successful foreign war. Frequently the vanquished are freed by the defeat which discredits their ruling class, and frequently conquest feeds a nation's pride in military prowess and causes the surrender of cherished liberties to the demand for more perfect organization. Defeated Germany, first to use conscript armies, substituted the rule of democracy for the autocrat, while victorious America turns toward gross materialism and submits to the indignity of conscription. [Applause.]

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“THEY DO NOT TRUST THE PEOPLE”
THE GARRETT-WADSWORTH AMENDMENT
TO THE CONSTITUTION

SPEECH
OF
HONORABLE GEORGE HUDDLESTON
OF ALABAMA
IN THE
HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 24, 1925



WASHINGTON
GOVERNMENT PRINTING OFFICE
1925

35572—1693

SPEECH
OF
HON. GEORGE HUDDLESTON

Mr. HUDDLESTON. Mr. Speaker, House Joint Resolution 68, introduced by the gentleman from Tennessee [Mr. GARRETT], proposes to amend the Constitution by substituting for Article V the following:

The Congress, whenever two-thirds of each House shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by three-fourths of the several States, through their legislatures or conventions, as the one or the other mode of ratification may be proposed by the Congress or the convention: *Provided*, That the members of at least one house in each of the legislatures which may ratify shall be elected after such amendments have been proposed; that any State may require that ratification by its legislature be subject to confirmation by popular vote; and that, until three-fourths of the States have ratified or more than one-fourth of the States have rejected or defeated a proposed amendment, any State may change its vote: *And provided further*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

The Garrett amendment comes before the House under most auspicious circumstances—for the amendment. It is a bipartisan measure, supported by the leaders in Congress of both party organizations. It was offered in the Senate by a Republican leader in full harmony with the regular organization of his party, and in the House by the official Democratic floor leader. It is the fruit of that bipartisan understanding and harmonious action which furnishes the basis for the charge that there is no fundamental difference between the principles of the leadership of the two great political parties.

Mr. GARRETT is exceptionally fortunate in his authorship of the amendment. He enjoys the distinction of being the only Democrat who has been the author of a measure of substantial importance which has been permitted by the Republican machine to come before the House since March 4, 1921. By collaborating with a Republican Senator he has been able to secure the favorable report of the Judiciary Committee, special action by the Committee on Rules, and, more than all, has induced the Republican steering committee to place his resolution upon the list of the very few "must" measures which are to be adopted during the few remaining days of Congress.

REACTIONARIES SUPPORTING THE AMENDMENT

Powerful interests are arrayed in support of this measure. Apart from the small fraction of its supporters represented by those who regard it as a move toward more democratic meth-

ods, the great bulk of its support comes from sources which are recognized as the most reactionary in the country. All of the big financial interests are for it. All of the ultraconservative property interests are for it. The organs of Wall Street are for it. Reactionary elements of every kind and character are for it. In no instance, so far as I can learn, is any decidedly nonprogressive influence opposing the amendment. All who fear the people are for it. All the political influences recognized everywhere as opposed to progress and reform are for the amendment.

I wonder if Mr. GARRETT has considered why these reactionary interests are supporting his measure. Does he feel that the reactionary Republican leadership in Congress is merely showing him a courtesy because he is minority floor leader? On the other hand, does he feel that these elements and the interests which they represent in Congress are advocating a fuller measure of democracy? To me the conclusion is inescapable that the reactionary interests are helping Mr. GARRETT because he is doing a work that they want done. He is making it harder to amend the Constitution.

WHY NOT LET THE PEOPLE VOTE ON AMENDMENTS

I do not question the sincerity of the gentleman from Tennessee [Mr. GARRETT], who states that his purpose in offering the amendment is to make it more certain that changes in the Constitution shall be more truly representative of the wishes of the majority of the people of the States. Indeed, a faint and feeble gesture toward democracy may be found in his measure. It requires that at least one branch of the State legislature shall be elected after the proposal of an amendment, and that a State may require that *ratification* by its legislature shall be subject to confirmation by popular vote. His assumption is that candidates for the legislature will be elected upon the issue of ratification.

But I do not fail to mark the omission to provide for a popular vote upon the *rejection* of an amendment. His slender thread of democracy runs to allowing a popular vote on ratification, but not upon rejection. He allows an appeal to the people from the action of a legislature approving an amendment, but allows no appeal from a rejection. Why does he discriminate?

If Mr. GARRETT desires a really democratic measure, why did he not propose that the issue of ratification or rejection should be directly submitted to a popular vote without the intervention of a legislature? I have myself drawn a provision which requires that an amendment must be submitted to a popular vote in all cases, and will offer it as a substitute for the Garrett amendment at the proper time. It is as follows:

The Congress, whenever two-thirds of each House shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes as part of this Constitution when ratified by three-fourths of the several States by a majority of the participating electors at an election which shall be held at the time and place for the election of Representatives in Congress

next held after the action of Congress proposing the amendments; *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

THE "CONSTITUTION WORSHIPERS"

We have a new cult in the land—the cult of "Constitution worship." To its members the Constitution is the most perfect work of human hands—to it nothing should be added nor from it should anything be taken away. Members of this cult, however, worship merely the letter of the Constitution, not its spirit, for the latter they do not hesitate to evade and to subvert. Their worship even of the letter is largely confined to the clauses which protect their business interests and suit their social habits. Other provisions are conveniently ignored. It is among its leaders and the financial supporters of this cult that we find the least support for the prohibition amendment and for the guarantees of civil liberty.

The Constitution worshipers are desperately afraid of all change. Lacking a king they seek to command the loyalty of the people for a mere paper document as the embodiment of all that is fine and true in government. They have built their altars to the Constitution, haloed it and veiled its awful face in the mist of extravagant praise. They have financed a nationwide propaganda in opposition to all amendments. Seizing on the young life of the country, they have set schoolboys to competing in declaiming upon the Constitution. They have drawn a pretty picture of themselves as the only defenders of our institutions. They ignore the Declaration of Independence, the fundamental charter of our liberties; they have no words of praise for it. It is from such sources that the bulk of the support for the proposed amendment comes.

During 135 years only 19 amendments to the Constitution have been adopted. These include the first 10, which were promised as a condition for the ratification of the original document by the States and should not be counted. Of the remaining 9, three were adopted under the stress of the Civil War, and the adoption of 2 others was hastened by the World War. The eleventh amendment was necessary to prevent a dissolution of the Union at the very outset. The twelfth amendment was made necessary by a tie in the Electoral College. The remaining 2 are the sixteenth, the income-tax amendment, and the seventeenth, providing for the popular election of Senators.

MANY FRUITLESS EFFORTS TO AMEND

During the 130 years after the adoption of the first 10 amendments, 2,988 proposals to amend the Constitution have been offered, and during this time only 9 have been adopted. Yet the supporters of the Garrett amendment say that the Constitution is too easy to change, and they want to amend it so as to make changes yet more difficult.

The truth is that amendment is already too difficult. During the Virginia debates on the Constitution, Patrick Henry charged that its provisions for amendment are so illiberal that it could never be amended. The lapse of years and the multitude of futile efforts to amend have vindicated his judgment. What the Constitution really needs is some easier method of

amendment, some method whereby a substantial majority of the people of the country can initiate amendments and cause them to be adopted.

The psychology of those who would make amendment more difficult is easy to understand. They are like the old farmer, whose parting advice to his son, as the latter went out to make his own way, was—

If you want to succeed you must have no confidence in anybody else and but little in yourself.

They fear the people. They fear their representatives in Congress. They fear themselves. Subconsciously feeling that they enjoy advantages above their fellows, they fear any change whatsoever. They do not trust the people. They call them "the mob." They cower in their easy chairs and shudder when a murmur rises from the street, "It is the people; they come." So far from democratizing the method for changing the Constitution, they would raise up every possible barrier against change.

WHO WERE THE CONSTITUTION BUILDERS?

Typical of the frame of mind of the Constitution worshipers is the statement made by the gentleman from Tennessee [Mr. GARRETT] in his able speech in support of his amendment. Speaking of the Constitutional Convention, he said:

That convention was composed of much of the intellectual and moral aristocracy of America.

He might well have added "and also of its social and financial aristocracy." Not a delegate to the convention was a representative of the masses. There was not a member of the mechanic or small-farmer classes among them. It was a property-owners' convention, composed wholly of land speculators, landed gentry, owners of public debts, and of professional men. All the delegates were selected by legislatures. Not a single delegate was elected by a popular vote.

I am far from the desire to belittle the work of the Constitutional Convention. Madison, who wrote most of the Constitution, was a fine democrat, and much of the democracy in it is attributable to him. He wrote a great Constitution, not perfect and not the last word, but great and fine. My regard for its work does not forbid a statement of the truth concerning the composition of the convention and what it did.

The convention was called to amend the Articles of Confederation under their amendatory provision. In violation of this purpose and exceeding its authority, the convention drafted an entirely new instrument. That instrument was submitted for ratification to the States in clear and plain violation of the Articles of Confederation. The work of the Constitution builders was of itself revolutionary.

Of the total of 72 delegates to the convention, not more than 55 were in attendance at any one time. The work being completed, 16 of these delegates refused to sign, so that there were only 39 signers, a scant majority of the total delegates. The ratification of the Constitution was secured with the greatest difficulty and after tedious delays. It was ratified at all only because the disturbed conditions imperatively pressed for quieting influences.

The Constitution had omitted the Bill of Rights, and several of the States declined to ratify until they had received the solemn assurances of the advocates of ratification that the Bill should be included by amendment. Virginia demanded 17 amendments as a condition of ratification, and the promise was made that they should be adopted, a promise which was subsequently broken by the omission of a number of the promised changes from the first 10 amendments adopted. These changes have never been made to this day.

In what I have said I do but state the facts as they plainly appear from history, so that it may be understood what form of instrument it is which the reactionaries bid us to hold inviolable and above change.

WILL MAKE CONSTITUTION HARDER TO AMEND

The net result of the Garrett amendment will be to make it more difficult to amend the Constitution. The reactionaries who are helping him know this. Their organs and spokesmen know it. They are not supporting what they regard as an advance toward democracy, for they are the antidemocrats and are marching the other way. Whatever may be thought of their principles, it can not be said that they are lacking in brains. They know what they want. They are striving for it in pushing for the amendment. Friends of democracy should beware of them.

During 130 years, despite the multitude of efforts to amend the Constitution, only nine amendments have been adopted. Those who assert that the Constitution is too easy to amend are called upon to point to an objectionable amendment which has been adopted. In this they do not agree. The great financial interests object to the sixteenth amendment, which authorizes income taxes. The antidemocrats object to the seventeenth, which gives the people the right to elect their Senators. The "wet" element objects to the prohibition amendment. The antisuffragists object to the nineteenth, which grants votes to women. It is obvious that the objectors can not get together for the repeal of either of the amendments, for they have made no attempt to do so.

But assuming that some one of the amendments which have been adopted is objectionable and should be repealed, those who advocate making it harder to amend the Constitution take an illogical position. They advocate making it harder to repeal an objectionable amendment than it was to secure its adoption.

Members of the cult of Constitution-worship assert that the instrument is perfect. They seek to protect it against all future changes. Again they take an illogical position, for they are seeking to change the Constitution which they assert is perfect. By its original provisions the Constitution carries a clause providing for amendment. This clause they who profess to regard the Constitution as an "Ark of the Covenant" now would violate with their profane hands.

REACTIONARIES AND EXPERIMENTALISTS EQUALLY BAD

If America is to survive, it must be as the scene of a developing civilization and our governmental institutions must change and adjust themselves to the times. It is as bad to

turn this country over to the extreme conservatives, always gazing on the setting sun and constantly moved to turn back the hour hand of time, as it would be to turn it over to irresponsible experimentalists who lightly hasten from one change to another. The latter would destroy us with their political experiments, the success of the former would mean stagnation and death or their failure a riot of disorder and revolution.

Our country belongs to its people. The majority have the right to govern it as they will, and to allow an over-fearful minority to thwart the deliberate and considered will of the majority must bring disaster in the end. Checks and balances in government have no legitimate function beyond insuring that the action of the majority shall be carefully considered and taken only after due deliberation. When thereby a minority is enabled to dominate, checks and balances become mere instrumentalities of tyranny and oppression.

Mr. GARRETT of Tennessee. Mr. Chairman, there is only one phase of the criticism made by the gentleman from Alabama [Mr. HUDDLESTON] to which I wish to refer in this five minutes, and that is the criticism, largely inferential, but nevertheless plain to be understood, that this amendment should not have been presented by me, because I happen to be in the position of floor leader for the time being on the minority side of the House.

Mr. HUDDLESTON. I disclaim any such idea. I think the gentleman was entirely free to offer it, if he thought well of it.

Mr. GARRETT of Tennessee. It seems to me that it is impossible to escape the thought that the gentleman was seeking before the Congress and before the country to make a criticism because I happened to hold the place of minority leader at the time of the introduction of the resolution reported by the Judiciary Committee.

I have just this to say: This is the first time within my recollection that any gentleman has ever in this body raised a partisan question concerning an amendment to the Constitution of the United States. Within the time I have been a Member of the Congress five amendments have been submitted to the Constitution and there was never any division along party lines in the consideration of those measures. There was the amendment providing for the direct election of Senators; there was the amendment providing for the income tax; the prohibition amendment; the woman's suffrage amendment; and the child labor amendment. All these have been submitted during the period of my service as a Member of the House of Representatives and never, so far as I can recall in the discussion of them at any time, has there been a partisan question raised. So far as I am concerned I do not believe there ever should be a partisan question raised in considering the fundamental law of the Republic.

Mr. HUDDLESTON. My criticism is not based upon the fact that the gentleman introduced it, but that the measure is not a democratic measure, and that it does not speak the traditions of democracy.

Mr. Speaker, in discussing the Garrett-Wadsworth amendment it had not been my purpose to give the subject a partisan

complex. I should regret very much to see those upon my left, who sometimes call themselves Republicans but who I recognize to hold to genuine democratic principles, voting in behalf of this amendment. My references to "democracy" and to "democrats" was a "lower-case" reference. I should have explained that, so that the gentleman from Tennessee [Mr. GARRETT] might have understood that I am not undertaking to deal with this subject as a partisan question.

But I will say this, since the matter has been discussed, that there are represented in American politics at least two different schools of thought and that their main difference consists in the extent to which they are willing to trust the people of the country. I do not object to those who adhere to the Republican Party claiming that they are the most democratic. I do not think so. I feel that my party has always and by tradition and practice throughout the generations signalized its existence by adhering to the doctrine of "Trust the people. Let the people rule." If the Democratic Party does not stand for that, then I have been imposed upon, and upon finding out my mistake I will not hesitate to hunt a new political home.

I believe that this doctrine of "Trust the people" is as applicable to proposals to amend the Constitution as to anything else, nay, probably more so. For when it comes to amending the Constitution of the United States so as to provide how future amendments may be adopted the sole issue is: "Are you willing to trust the people or are you afraid to trust the people?"

Now, those who are afraid to trust the people and want to make the Constitution harder to amend may call themselves what they will. They may be leaders or they may be followers, but they are not the kind of Democrats I believe the founders of my party to have been.

I come back to my original proposition, that the net result of the amendment which has been proposed by the Senator from New York and the gentleman from Tennessee will be to make the Constitution harder to amend, and to take away from the people some power to amend it which they otherwise would have. If that be Democracy, then I will have none of it. But notwithstanding the minority leader [Mr. GARRETT] subscribes to that doctrine I refuse to believe that it is real Democracy.

**“YE BLIND GUIDES WHICH WOULD STRAIN AT
A GNAT AND SWALLOW A CAMEL”**

**TEACHING THE CONSTITUTION
IN THE SCHOOLS**

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 3, 1925



**WASHINGTON
GOVERNMENT PRINTING OFFICE**

1925

36350—1706

SPEECH
OF
HON. GEORGE HUDDLESTON

Mr. HUDDLESTON. Mr. Speaker, House Resolution 416 expresses the desire of the House that the Constitution of the United States should be taught in public and private schools.

Had I been able to rely upon the generosity of the advocates of this measure, I had intended to offer an amendment which would provide for teaching the Declaration of Independence along with the Constitution. But they have refused to give an opportunity to include the Declaration.

The Constitution is not the charter of American liberties. Our independence and our liberties antedate the Constitution. The fundamentals of Americanism are to be found in the preamble to the Declaration and in the first 10 amendments. The Constitution was designed merely as a vehicle to convey American principles. It is a mere instrumentality by which our principles are to be protected and effectuated. Yet by this measure we find ourselves in the strange and ridiculous position of centering our interest in the vehicle and refusing to consider the institutions themselves. We take the absurd position of showing a regard for the instrumentalities of government without regard for government itself.

Americanism did not have its origin in the Constitution. No study of that document alone will give any fair understanding of the significance of America. To understand our country we must go back to the beginnings of Anglo-Saxon history. We must understand the tribesman's sturdy spirit of equality. We must look at America against the background of Magna Charta and the long and tedious struggle of the English commonality for liberty. We must study the English Bill of Rights. We must read the story of Bacon's rebellion in early colonial days, and thence through the account of the conflict with Andros, and on down through the agitation of Samuel Adams, Jefferson, Henry, and Payne, which culminated in the Declaration of Independence. This done, Americanism stands in its true light. The least that is needed is the study of the Constitution, for its purpose was merely to preserve and effectuate the principles taught by the Revolutionary founders and established upon Revolutionary battle fields.

The builders of the Constitution created little that was new. They merely gave new form and expression to that which already existed. Says Professor Myers of the Constitution:

It was not a new invention, but a codification of British law and government and of the experience of colonists during about 150 years in the New World.

The sole important contribution made by the Constitution to the science of government lies in the separation of the functions of the legislative, executive, and judicial branches. This was

the one important thing that the Constitution did. Yet we find that the "Constitution worshipers" furnish the main support for the effort to subject Congress to the influence of the Executive. And strange though the psychology may seem, they speak of the courts with bated breath and hold in the odor of sanctity the judicial branch, while reviling in contempt the legislative branch, the members of which are the only officials whom the people are allowed to select and who are therefore their only representatives.

What an absurdity, then, to teach the Constitution—the mere shell of our political life—and leave the child in ignorance of the kernel of its principles. Such instruction is bound to leave the child with a distorted idea of American fundamentals.

I oppose this measure because I am an old-fashioned man and a conservative. I believe in the old institutions, in the old practices, and in the old way of doing things. I regard radical departures with suspicion. Never before has the House of Representatives presumed to tell the States what they should include as subjects of education. We have recognized that the Federal Government has its functions to perform and that the States have their proper functions, which include the subject of education. There have been efforts to bring the Federal Government into participation in education through financial support. These have been bitterly opposed and the Federal Government has been prevented from meddling with the subject except in a remote and incidental way.

There are many subjects of education to which the States might well devote their attention. They might teach the fundamentals of politics in the schools. They might teach the rules of sanitation and health. They might even teach religion, for certainly the spiritual life is the most important of all. There are many subjects of great importance with which the young mind should concern itself. Least pressing of all is that the time and attention of the child should be consumed in study of the vehicle which for the time being serves merely to transport our governmental institutions.

The measure is a new departure. Perhaps it is my instinctive shrinking from experiments which causes me to draw back from it. I do not criticize the gentleman from Massachusetts [Mr. WINSLOW] in his authorship. He belongs to a new and radical school of political thought, and no doubt is amply justified from his own point of view. But as for me I have too much respect for the Constitution to violate its spirit. The Constitution gives Congress no jurisdiction of the subject of education, yet we presume to deal with the subject and to evade the spirit of the Constitution by expressing views upon it, and thereby enter a field from which the Constitution excludes us. In this sense the measure is unconstitutional. It becomes constitutional only by reason of the fact that it has neither force nor effect and is a mere expression of desire. As a law it would be unconstitutional and void. It ravishes the spirit of the Constitution in the name of respect for the Constitution.

By the adoption of this measure the House becomes a meddler. It thrusts its nose into the business of the States. We have plenty of our own work to do. We have need for

whatever capacity and patriotism we may be able to bring to bear, upon the performance of our legislative functions. We should refrain from turning aside to meddle with the business of the States.

The measure is a freak measure. It is a foolish measure. It is a piece of presumption. It is a piece of meddling. It will have no effect, for no self-respecting State will pay any attention to it.

It is no mere accident that a measure such as this makes its appearance. It is of a piece and in harmony with the widespread activity to sanctify the Constitution.

In a recent essay upon the subject, Professor Myers calls attention to the necessity that government be composed of two parts—the dignified and theatrical part, to excite popular reverence and to gain authority; and the efficient and practical part, to use the power which the other part has gained. He states that in a monarchy the king performs the theatrical function: to command authority by reverence, while the ministers use these powers to control the people. He comments on the need in America for something to take the place of the loyalty which the subject holds to his king, and suggests that the Constitution be made to perform that office by surrounding it with dignity, reverence, and respect.

A few years ago the American Bar Association, controlled as it is by great lawyers trained in representing vast economic and social interests, inaugurated "Constitution week." That effort has been followed by others in various similar activities. The Nation is being propagandized in behalf of reverence for the Constitution. Even at this particular time the schools of the country resound with declamations on the Constitution in a competition incited and financed by those who seek to elevate the Constitution into a position of undue importance, and an atmosphere of sacro-sanctity. The Winslow measure is merely a part of the campaign.

I believe in the Constitution; not as an end, but as a means; not for what it is, but for that which it protects and supports. I believe in the sacredness of our institutions, not in their form, but in their substance. I would teach the children to love justice and liberty, and that—

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain Unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights governments are instituted among men, deriving their just powers from the consent of the governed. That whenever any form of government becomes destructive of these ends it is the right of the people to alter or to abolish it and to institute new government, laying its foundation on such principles and organizing its powers in such form as to them shall seem most likely to effect their safety and happiness.

I believe in American fundamentals. I would teach them to young minds. I would not set children to chasing shadows and to the study of legal technicalities.

The world will never lack for constitutions. What it needs, and must ever need, is a more adequate spiritual life and a higher conception of duty and of service to our fellow creatures.

AGAINST THE TAX ON TOBACCO

SPEECHES

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 11, 1925

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 1) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. HUDDLESTON. Mr. Chairman, this bill levies a tax of 18 cents per pound on tobacco, not including cigars and cigarettes. By this provision it is expected to raise above \$70,000,000 each year. This figures out about 70 cents each for every man, woman, and child in the United States, and since, not including those who smoke cigars and cigarettes, probably only about 15 per cent of the people use tobacco and have to pay the tax, it means that, on an average, each tobacco user pays in the neighborhood of \$5 per year into the Treasury of the United States.

THOSE WHO PAY TOBACCO TAX NOT HEARD BY COMMITTEE

This tax remains the same in this bill as it has been heretofore. No reduction is made to those who use tobacco. Cigar smokers very properly get a reduction. They were represented before the committee through those who manufacture and sell cigars. The great income producers were represented and got their reduction, estate taxes were reduced, so that rich men may die happy, taxes on automobiles were reduced, and so on down the line, with almost all classes of taxpayers. They were organized and represented before the committee. Their views were presented, and they got their reductions. But the "tobacco chawers" were unorganized; they were "mute, inglorious, and unknown." Nobody spoke for them.

It was not particularly to the interest of the tobacco grower that the tax be reduced. The manufacturer was not interested; he does not pay the tax and has his business arranged to pass it on to the consumer, and so would not like to have his trade disarranged by a reduction. It was the humble consumer who has to pay the tax; he was the only one interested; and for him, of course, nobody cared. And so the tax remains as heretofore.

In making up this bill the Committee on Ways and Means acted as all committees of Congress act. They heard the arguments of only the selfish groups and the lobbyists of selfish interests strong enough to get themselves heard. The great unorganized multitude are never heard. Nobody ever speaks for them. Their case is never presented. Nobody speaks for the common welfare. Nobody echoes the voice of old "Vox

Populi," and " "Sans Culotte" has no advocate. And this is the reason why so few laws are responsive to the common good and that nearly everything that Congress does is wrong.

NO GOOD REASON FOR THE TOBACCO TAX

Mr. Chairman, why a tobacco tax, anyhow? The only defense anybody has ever made for it was that "we need the money." During the Civil War it was first levied as a war tax. All other Civil War taxes have been long repealed and forgotten. The tax had its origin at a time when we were pressed for money and our sources of revenue were limited. We were relying chiefly upon import duties and spirits taxes, and so as a war measure we laid this tax upon the people who use tobacco; and as those who had to pay it were of the multitude and were unorganized and in the main uninfluential it has stayed there ever since. It never had the slightest justification in economics or in justice. Its sole excuse has been that it was a good way to get some money into the Treasury.

We did not have income and estate taxes in those days. The Nation was comparatively poor and we did not have the many sources of revenue we have now. The revenues were inadequate to carry on the war, and therefore we went after tobacco with this tax that bears heaviest on the man who leans upon his "quid" as a source of comfort and solace during his hours of toil.

TAXES OF POWERFUL SELFISH INTERESTS REDUCED

Other taxpayers are given reductions by this bill. The tax on chewing gum had already been removed because Wrigley had to pay the most of that, and he is a chief financial mainstay of the Republican Party. [Applause.] The tax on soft drinks was abolished because Coca-Cola stockholders were interested and wanted it removed. It hurt their business and the chances are that they are political contributors. All down the line—automobiles, jewelry, lipsticks, and what not—are relieved of taxes because business men with influence wanted it so. Taxes hurt them, and so these powerful interests, concerned with things not nearly so necessary as tobacco, receive their reductions, and many taxes have been abolished. But not only does the tax remain on tobacco, but no reduction has been made, nor is any contemplated.

TOBACCO, A NECESSARY OF LIFE

I do not use tobacco in any form myself, but I recognize that to those who do use it it is a necessary of life. I sympathize with people who have such harmless habits as the drinking of coffee and tea. Yet tobacco is just as much a necessary of life as is tea or coffee or any other article in common use that is not essential to existence. It is far more of a necessary than a necktie or silk stockings. It is more of a necessary than face powder, jewelry, chewing gum, soda water, laces, cosmetics, and ornaments. It is more of a necessary than the thousand and one things for which the Ways and Means Committee have been so tenderly solicitous, while at the same time neglecting to reduce the tax on tobacco.

The tax on tobacco is a tax on the poor. In the main those who use tobacco belong to the common walks of life. They belong in the main to the submerged third of our population. The humble negro, sweating in the field, comes to the end of

the row and reaches into his pocket and takes out a twist, bites off a chew, and then, with steadier step, goes down the next furrow in the production of something necessary to human existence. The workman in the shop takes a cut from his plug and leaning on it goes on with a surer stroke. The countrywoman, far away in the mountains, takes her dip of snuff, and with her stick in her lips goes gamely about the monotonous daily drudgery of washing babies and cooking food and serving the family and making a home. Yet these useful, though humble, people are taxed while the rich go free.

A TAX ON THE POOR

Most of those who use tobacco are of the poor. To many of them it is their only luxury, if indeed in any sense it be a luxury. It is their only comfort, their only solace. It sustains them in sorrow and in toil. It comforts their working hours and soothes them to rest at the end of the hard day.

The tax on tobacco is a tax on the poor, and the tax remains upon them because they are poor. They are unable to appear in Washington before committees; they are unable to hire shrewd lobbyists and adroit counsel to present their side of the issue; they hold no powers of propaganda and no secrets of influence; they are unable to array their forces or to make their numbers felt through organization. Therefore, they are taxed; therefore they are ignored. [Applause.]

Thursday, December 17, 1925

Mr. HUDDLESTON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment proposed by Mr. HUDDLESTON: On page 180, line 16, at the beginning of the line, strike out the figures "18" and insert in lieu thereof the figures "12."

Mr. HUDDLESTON. Mr. Chairman, my amendment reduces the tax on manufactured tobacco to what it was before the war.

In principle the tax ought to be abolished. It is a tax on the poor. It is a consumption tax. It is a tax on those least able to pay it. It is a tax which enhances the cost of living. It is a tax which increases the cost of the necessities of life. It is a tax on a necessary article. It can not be defended except with the excuse, "we need the money." Nobody has ever said anything else in behalf of it. Nobody can ever say anything else in behalf of it.

I had hoped the committee would do something for the people who use manufactured tobacco, but they take the position if you are not a "chawer" of "long green" you are not entitled to any consideration. What is the logic of that position? If I buy a twist of tobacco with a little licorice and flavoring in it, does that make me a worse man than if I took a hand of tobacco and twisted it myself? Many men are not trained to chew tobacco straight and undilled with sugar, licorice, or other flavor. Many men can not send away to places where they deal in leaf tobacco and buy a package. They do not know where it may be had.

I insist that we ought to go back to the pre-war tax on tobacco. I have no tobacco growers in my district. I have no manufacturers; I have no more tobacco chewers than has the average district represented on the floor. There is no political equation in this matter to me. Nobody has spoken to me about it or written me about it. Those who suffer from this oppressive tax—the great unorganized mass—are never heard from, never write to their Congressman, and never pass on to him any canned propaganda. But, gentlemen, it ought not to be necessary that the masses clamor for their rights under the penalty of being unrecognized and ignored.

The committee heard no arguments from the tobacco users. But they were pulled and hauled by a thousand selfish interests, each seeking to get theirs. And they got it. The great, unknown multitude was not represented and was not heard. The cigar manufacturer felt that the tax on cigars was hurting the sale, and so they got theirs. But the tobacco users, being mere consumers, were not considered. They were not before the committee, but their Representatives are here, and we ought to represent them. [Applause.]

The question was taken; and on a division there were 43 ayes and 90 noes.

So the amendment was lost.

75548—1934

THE JOKER IN THE MUSCLE SHOALS RESOLUTION

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

January 5, 1926

The House had under consideration H. Con. Res. 4, providing for the appointment of a joint committee to receive bids for the lease of Muscle Shoals.

Mr. HUDDLESTON. Mr. Speaker, during the last Congress the House provided for a commission to consider proposals for the disposition of Muscle Shoals. That commission has been at work ever since. It has considered numerous bids and has recently made its report. Whether it found a satisfactory bidder—that is, one which would be satisfactory to Congress—I do not know, because the report is only just now available and we have not had an opportunity to examine it. By the pending resolution we now create another Muscle Shoals committee to receive more proposals and to again report to Congress. Its report is provided to be made at a time very late during the present session, so that probably the matter will be again delayed until the next session. The resolution is admirably adapted to insure that no action for the disposition of Muscle Shoals will be taken during the present session of Congress. That was not the purpose of those who are pushing it, but had that been the purpose it could not have been more ingeniously concocted.

The resolution creates a commission consisting of three members of the House Military Affairs Committee to be selected by the Speaker and three members of the Senate Committee on Agriculture and Forestry to be selected by the Vice President. The selections will be made by gentlemen of character and patriotism, but who nevertheless are opposed to the fullest development of Muscle Shoals. Therefore it is not going far afield when I venture to predict that the majority of the commission will be gentlemen who are at heart opposed to the fullest development of Muscle Shoals. They will be of those who prefer that Muscle Shoals be operated if possible so as not to compete with existing business concerns. What is proposed, therefore, is to turn Muscle Shoals over to be handled by those who may fairly be called its enemies.

The Committee on Rules who reported this resolution are in full harmony. Oh, "how blessed it is for brethren to dwell together in unity." Those who had the opportunity of giving this matter the fullest consideration come here and with no opposition whatever they lay this matter before us and leave us poor, unguided souls to rely solely upon natural cussedness and the initiative of the moment and the little general information we have to make the best we can out of it. "His majesty's opposition," so far as this measure is concerned, has completely disbanded and marched to the rear.

But this is not a novel situation in the present Congress. We are, indeed, in a happy country.—We live in a golden age. It

is a time of political amity—an era of political good feeling. We have gone back to the times of Monroe. Bipartisanship has knocked on our door and we have opened and here it is.

The honored presiding officer of this Chamber [Mr. LONGWORTH] referred in his inaugural address to a two-party system as “the American system.” I condole with the gentleman, I weep with him. He has seen the great “American system” disbanded. We no longer have a two-party system. We have only a bipartisan system.

We had a great tax bill before the House a few days ago; they called it “a bipartisan bill.” The committee members who represented the opposition did not oppose. They were in complete accord with the regular Republican majority and voted down every amendment, whether originating upon their own side or upon the other side. Again, this morning we were treated to a similar experience in which a resolution introduced by the honored gentleman who is leader of the minority [Mr. GARRETT of Tennessee] was unanimously reported by the Judiciary Committee controlled by a Republican majority, advocated by its chairman, and put through the House without debate. The real opposition were not given a chance to debate it. Another bipartisan measure! Oh, how I love these eras of amity, but I wonder whether they are going to produce any good results for the country.

I have the thought that the business of an opposition party is to oppose, and that they ought at least to give the country some fair criticism and exposition of a measure and some opportunity to know what they have learned in the committee hearings. I think the center aisle in this Chamber should stand for something. But it does not stand for a thing on earth. There are just as good Democrats on the Republican side of the aisle as there are on this side, and God help us, there are just as good Republicans over here as there are on that side. [Laughter and applause.] I think, Mr. Speaker, we would do well to abolish the central aisle and enter from the side, “sidle in” as it were. Sidling in would be an appropriate manner of entrance for an opposition which does not oppose.

Here we are going through this form again with more bipartisanship and the committee in complete amity, and they are particularly in accord in providing that no claims of industry shall be considered by this commission when proposals are made to dispose of Muscle Shoals.

They have provided by this resolution that Muscle Shoals shall be disposed of “for the production of nitrates primarily and incidentally for power purposes.” Those who might want to use Muscle Shoals to produce electric energy for industrial purposes are not to be permitted to make any bids under this measure. The only bidders whose bids can be considered are those who agree to make nitrates and those who want to peddle power to the country, namely, and to wit, the Alabama Power Co. and its affiliates—those who want to keep Muscle Shoals out of competition with power which they are producing at other points. The Alabama Power Co. or some friendly interest are to be the only eligible bidders. The terms will fit them only. It would be a more direct method to provide that only they may bid.

Now, the supporters of this measure have fixed it so that Muscle Shoals can not be used by industry. Did you know that, I ask the gentleman from New York [Mr. SNELL]? Did you know that, I ask the gentleman from Tennessee [Mr. GARRETT] and the other able gentleman on the committee? Did you do that intentionally? Did you want to fix it so that aluminum can not be made in competition with the Aluminum Trust, so that carborundum can not be made there? Was it your design to fix it so that carbide tool steel and steel alloys could not be produced? Was that your purpose?

Why did you not provide for the use of the surplus electric energy for industry, for the production of aluminum and these other necessary materials?

I am in favor of a square deal for all those who may desire to bid—to be fair both to the people and to the bidders. I do not want to restrict the bidding so that we will be turning it over to the Alabama Power Co.

Now I want to read the whole paragraph which carries the joker clause:

The committee is authorized and directed to conduct negotiations for a lease of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., *for the production of nitrates primarily and incidentally for power purposes*, in order to serve national defense, agriculture, and industrial purposes, and upon terms which, so far as possible, shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease shall be for a period not to exceed 50 years.

Note it carefully—it expressly provide that the lease shall be only for the production of "nitrates" and "power." Aluminum, carbide, and steel alloys are not produced by power, they are produced by heat. It will not be possible for a concern which wants to use the energy generated at Muscle Shoals in the electric furnace for the smelting of aluminum or other materials that industry needs to make a bid. The commission can not consider a proposal to use any part of the electric energy for the purposes of industry.

We do not need much additional power in Alabama at present. The Alabama Power Co. under normal conditions is producing about all the power we need. You can not operate Muscle Shoals to success by confining it to the production of power, nor by providing that it shall be used to operate nitrate plants and the balance devoted to power purposes—the demand for the power is not there to hold it under such restrictions. It will be a failure in the hands of anyone unless it be held merely to keep it out of competition with the Alabama Power Co.

Electric energy is too valuable to be used for the production of power only. You can not afford to use electric energy to run street cars and to turn wheels; it is worth too much to industry to be used for such purposes.

What use do they make of the electric energy generated at Niagara Falls? In Buffalo, 30 miles away, practically all the power that is used is generated from coal hauled 200 miles from Pennsylvania. Electricity is too valuable at Niagara Falls to be used for lights and power by a city only 30 miles

away. What is it used for? The biggest share of it is used by the aluminum company in smelting aluminum. The next biggest share is used by the Union Carbide Co. in producing carbide. Then there is the carborundum company and the concerns producing quick steel and steel alloys and various products of the electric furnace. They are the people who can use electricity to the best advantage. You can not afford to use it for power when you can use it in electric furnaces. Why is that? In electric furnaces from 2,500 to 3,500 degrees of heat may be developed. You can not generate that much heat by combustion except with greatest difficulty. Somewhere from 1,200 to 2,000 degrees of heat is about all that you can produce with combustion. Therefore, when you are dealing with products that require this intense heat you must use the electric furnace.

The electric energy generated at Niagara Falls is worth twice as much to the aluminum company and the carbide company and the carborundum company and the steel-alloy concerns as it is to anybody for turning wheels or pulling street cars.

Heat does not come from power; electric furnaces are not heated by power. Electricity never becomes power until it takes a certain form which adapts it to the turning of wheels and the pulling of cars. You do not use power in an electric furnace. You use energy. You exclude the electric furnace by using the word "power."

I do not think that the committee really meant to exclude bidders who want to heat electric furnaces. I do not think they really meant to say, "Oh, no; you shall not use any of this for industry." I think they did not know just what they were doing. I am trying to be as light on them as I can. They were just ignorant. [Laughter.]

The thing for those who are responsible for this resolution to do is to put it before this House in such shape so that it can be amended. You bring this resolution here and say, "Here is this lozenge; swallow it, darn you, swallow it." Have all the Andy Gumps come to Congress? [Laughter.] Are we so simple that we will take the pill whether we like it or not?

I do not favor Government ownership and operation for Muscle Shoals. It is not an ideal situation for such operation. If the supply of water was constant and it was a 365-day-a-year proposition as it is at Niagara Falls, I should say that it would be a crime against the country to turn it over to private exploitation. But it is not. The primary power is available there only from six to nine months in the year, and there are times during the year when there is very little energy available because the water is so low.

The ideal proposition for Muscle Shoals was the offer made by Mr. Ford. He could have operated Muscle Shoals at great advantage to himself and to the country. He would have used electric furnaces there to make the materials that he needs in his business. He would have operated the nitrate plant, and instead of selling the surplus as power and depending on that for income, he would have produced aluminum and quick steel and things that he needs for his automobiles.

"NO DISCOUNT TO MUSSOLINI"

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 15, 1926



**WASHINGTON
GOVERNMENT PRINTING OFFICE
1926**

70095--2062

SPEECH

OF

HON. GEORGE HUDDLESTON

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 6773) to authorize the settlement of the indebtedness of the Kingdom of Italy to the United States of America.

MR. HUDDLESTON. Mr. Chairman, as the final speaker of the opposition to the Italian debt settlement I wish to use the little time at my disposal in a sort of summing up on a single aspect of the debate.

For the sake of contrast I place my attitude as that of an old-fashioned Democrat in opposition to that of the gentleman from Connecticut [Mr. TILSON], who is the majority leader. He has favored us with his visualization of the results which may follow from approving this settlement. I have also analyzed the situation and I visualize results which, it seems to me, will follow. My conclusions are in sharp conflict with his.

They are—

First. We are exchanging one promise to pay for another mere promise to pay. The settlement is not a cash settlement; it is merely the acceptance of a promise to pay in the future. There is no guarantee and no surety, yet we are scaling down our debt to 25 cents on the dollar.

We are accepting the promise of a revolutionary and usurping government, representing nothing but force, for the promise of an honorable and a constitutional government, which represented the Italian people. We are accepting in lieu of a legal and binding promise the promise of a man on horseback, who for the moment merely has seized upon the reins of government of a great nation. We are exchanging a promise, which every honorable Italian is bound to recognize, for a promise for which no patriotic Italian can feel any respect.

Second. By accepting this settlement we are doing an exceedingly grateful thing for Morgan, of Wall Street, and the other international bankers who have recently made the \$100,000,000 loan to the Italian Government. It was not their purpose in making the loan to make a permanent investment for themselves and to collect the interest on the loan. They bought the bonds to make the commissions and for resale at a profit. They bought them to unload upon credulous American investors. The acceptance of this settlement will enable them to sell the bonds and to pocket the millions that they will have made in commissions and what not. And the American people who are led to buy the bonds may collect the debt when it matures, if ever they can.

Third. By accepting a new Italian promise to pay our debt at about 25 cents on the dollar we establish a precedent for the settlement of the French debt on similar terms. Let it be understood that the Governments of neither of these countries

want to pay anything at all, nor would pay anything except that they feel that it is to their selfish interest to do so. They dare not resort to open repudiation. France would like a 25-cent or even a 10-cent settlement, or, better still, a wiping clean of the slate without any payment whatever.

France will insist upon the Italian settlement as a model for her own. France will demand that her debt also be scaled to the minimum. France will point to her war sacrifices, which, after all, were much greater than those of Italy, and ask that they be set off against the billions which we loaned her to enable her to meet her enemies. France will come armed with an array of "poverty figures" backing her claims for a reduction. If we settle with Italy for 25 cents on the dollar, who can disapprove a similar settlement with France.

Fourth. By accepting the settlement we will pave the way for future Italian loans in the United States. Already, on the faith of having made this unconfirmed agreement with our debt commission, Italy has borrowed a hundred millions from our "international bankers." With the settlement finally approved, Italy will be able to make other loans from these bankers, who in turn will pass them on to our credulous fellow citizens, who must hold the bag.

The settlement therefore will be a basis for the abstraction of several hundred millions additional from American pockets, vast sums which in all probability will never be repaid. By accepting the settlement we are merely giving license to Italy for a raid on American investors, who are not familiar with the unstable character of the present Italian Government.

Fifth. We will add enormously to the prestige of Mussolini and his faction. We will rehabilitate him. We will give him countenance before the nations of the world. We will strengthen him among the people of Italy, for by putting through this settlement so favorable to Italy he will demonstrate to them that he is able to do something. We are perpetuating him in power.

We are giving stability to that which is writ upon water. We are saddling upon the helpless back of Italy this "Old man of the sea," who has mounted it. We are postponing the day of Italian liberty.

[At this point the gavel fell.]

Surely, Mr. Chairman, to speak of liberty is not the signal for the gavel to fall in this Chamber. [Laughter and applause.]

We are postponing the time when the liberty-loving people of Italy may enter into their own. We are making the conditions harder upon them. We will make the explosion when it does come more terrific than if the corrective forces were permitted to assert themselves in due course. The longer the hand of this usurper lingers upon the throat of Italy the more desperate will be the revolt when it does come.

Gentlemen are afraid of communism, and there have been hints upon this floor that some would like to see Mussolini perpetuated in power as one who throttles radicalism with the strong hand. Let me say to them that they are merely inviting in Italy a greater explosion when it does come. The time for autocracy is not in this period of the world's history. Its days are passing away. It is not possible—it can not be, God will not let it be—that a great people like the Italian people can be

held permanently under subjection to a despot. It is merely a matter of a little time. Italy will come. Her people will be free again. The power of Mussolini and his faction will crumble into dust and men will wonder that it ever was.

By this settlement and by adding to Mussolini's prestige and by enabling him to secure other loans it may well transpire that we make a condition in Italy from which they can be released only by a bloody revolution comparable to that which occurred in Russia. We may be inviting communism in its most desperate and bloody form when we do this thing.

What, then, is the spirit of Fascism? Down the centuries rings the Roman arrogance:

Let the carrion rot; there are no noble men but Romans.

"The Brenner Pass is but the beginning; it is not the end. One Italian is worth a thousand other men." That is the spirit of Fascism. Indeed, gentlemen, it is the ravings of mania. The spirit which it expresses bespeaks an effort for world conquest. It is a grandiloquent dream of world power and of world empire.

This megalomaniac dreams of himself as wearing the toga of the Cæsars, with Rome rehabilitated and rebuilt and again sitting on her seven hills, the mistress of the world, drawing tribute from every land and clime. He dreams of Rome restored, with himself as its great and central figure. He dreams of himself as a Colossus bestriding civilization. He uses the House of Savoy as his puppets for the moment. He merely blinds his time.

By making this settlement we give him countenance and strength. We enhance his prestige and enable him to borrow vast sums in our country with which to finance his "black shirt" legions and to strengthen his hold on Italy and probably eventually to cast a challenge to the world.

Ah, gentlemen, by making this settlement, it may well be that you are handing to a glory-mad usurper a torch with which to set the world on fire. It may well be that you are contributing to another world conflagration, with incalculable cost of blood and treasure even to peaceable America. [Applause.]

79995—2062

PEACE IN THE RAILROAD LABOR WORLD

THE WATSON-PARKER BILL

SPEECH

OF

HON. GEORGE HUDDLESTON
OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 25, 1926

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 9463) to provide for the prompt disposition of disputes between carriers and their employees, and for other purposes.

Mr. HUDDLESTON. Mr. Chairman, nearly two years ago, in a speech in this Chamber on the Howell-Barkley bill, I charged that the Railroad Labor Board had failed. The charge was denied at that time, but the events which have since transpired have fully confirmed it. No one will deny it now. On every side and by all interests it is admitted that the board has ceased to perform any useful function.

The seeds of its failure were in the plan on which the board was conceived. It was created with the front of a court but with none of the powers of a court to enforce its decisions. It had the semblance and machinery of a judicial forum, but its functions were merely advisory. It was to hear evidence and conduct trials, but no respect was required for its decrees. As a court and functioning in the public eye its actions were self-conscious and it could not perform as an efficient agency of mediation or conciliation. Functioning with the machinery of a court and with the manner of courts it was inevitable that the board should soon lose the confidence of those against whom it gave its decisions. It was inescapable that it should be the subject of their suspicion and distrust and be charged with prejudice or partiality.

FAILURE OF RAILROAD LABOR BOARD

The seeds of failure inherent in the plan of the Railroad Labor Board must have soon impaired its efficiency. To this inherent fault was added the tactlessness or worse of certain members of the board who were unwilling to adjust themselves to the limits of the authority conferred upon them. Accused as partisans, these offending members were guilty of partisanship, if indeed they had not been partisan all the while. With so low a conception of duty as an impartial representative of the public, no court could long have commanded confidence or respect.

The Railroad Labor Board having failed, railroad managers and employees are left with no machinery whatever with which to settle the issues which are constantly arising between them. They have no machinery for agreeing on wage scales or for making contracts even when acceptable to both sides—no means whereby the friction and disputes which constantly arise in every industry may be adjusted and smoothed away. It is imperatively necessary for the public welfare that such machinery should be created—that means should be provided for the promotion of peace between the employees and the managers. To meet that need, the bill now before the House is presented.

The necessity that peace machinery should be provided for the railroad industry is almost a matter of common knowledge. I call attention to the evidence of witnesses, to be found in the hearings. First in the hearings on page 142 is the evidence of Colonel Thom, representing the railroads:

Mr. HUDDLESTON. In view of the decision of the Supreme Court as to the lack of power on the part of the Labor Board and the general irritation and dissatisfaction with the board existing on behalf of labor, I want to ask you if you do not think that in future the labor organizations will be practically unanimous in declining to pay any attention to the Labor Board whatever?

Mr. THOM. My own general impression is that they have arrived at that stage already, Mr. Huddleston.

Mr. HUDDLESTON. And that the Labor Board, as a practical matter, affords no means of settling disputes?

Mr. THOM. The Labor Board is a suggestion of compulsion without power. It is based upon the theory of compulsion and has no power to enforce its orders.

Mr. HUDDLESTON. So that, as a practical matter, unless we do adopt some satisfactory substitute, the employees and employers in the railroad industry will be left to fight their differences to a finish by any means that they may choose to adopt?

Mr. THOM. That seems to me to be the situation, Mr. Huddleston.

Mr. HUDDLESTON. So that instead of opposition to this bill being in the interests of peace, it is, in your judgment, in the interests of chaos?

Mr. THOM. That is my judgment.

* * * * *

I interrogated Mr. Robertson, president of the Brotherhood of Railway Firemen and Enginemen, on the same subject. He said on page 193 of the hearings:

Mr. HUDDLESTON. Mr. Robertson, what is the attitude of railroad labor generally toward the Railroad Labor Board?

Mr. ROBERTSON. Very hostile. It is very objectionable to the railroad labor organizations.

Mr. HUDDLESTON. What is the present disposition with reference to submitting disputes to the Railroad Labor Board?

Mr. ROBERTSON. There are very few disputes submitted that can be settled otherwise.

Mr. HUDDLESTON. What do you think will transpire in the future on this point when disputes arise between the employees and the managers?

Mr. ROBERTSON. That situation will continue.

* * * * *

Mr. Doak, of the Railroad Trainmen, said on same subject, as found on page 201 of the hearings:

* * * * *

Mr. HUDDLESTON. Just to sum the matter up, what is the Railroad Labor Board now doing that is of value to the country?

Mr. DOAK. I can not see that they are doing anything that is of advantage to the public.

Mr. HUDDLESTON. And what are they going to be able to do in future—leaving the law as it now stands—what are they going to be able to do in your opinion and from your knowledge of the subject?

Mr. DOAK. Mr. Huddleston, as stated in my direct statement here, I have taken pains to investigate all of the different systems of adjusting labor disputes in the world, all that we could get hold of as a matter of fact, and after comparing the Labor Board and its activities with a lot of other failures, I think that it is one of the most conspicuous failures of any piece of legislation that has ever been enacted.

Mr. HUDDLESTON. And if we should fail to pass this bill, that will leave the railroad management and employees to their own devices almost altogether, so far as future disputes may be concerned?

Mr. DOAK. Yes; that is true.

The active opposition to the measure comes from the National Manufacturers' Association, whose agent, Mr. Emery, appeared before the committee. Though opposing the bill with every argument that ingenuity could muster, Mr. Emery appeared to be in full agreement with the other witnesses that the Railroad Labor Board was a failure, as appears from his statement on page 255 of the hearings:

Mr. HUDDLESTON. You have heard the statements made both by Colonel Thom and Mr. Richberg and by the representatives of the labor organizations that the Railroad Labor Board will not be resorted to in future as an instrumentality for settling disputes of importance. Do you agree with that?

Mr. EMERY. Yes; and I think that is one of the best arguments, Mr. HUDDLESTON, for the continuance of the labor board that I have heard, because it means the parties are going to adjust their disputes without going to a public tribunal. If a public tribunal drives them back to settle their differences between themselves, it is performing an effective public service.

PURPOSE OF THIS BILL

To sum up the situation, the Railroad Labor Board has now sunk to the stage that it commands respect from neither managers nor employees, and will be resorted to in future, if at all, in merely minor matters and without any intent to abide its decisions if they should be unsatisfactory. The existing condition, therefore, is that there is great need for some machinery whereby dealings between managers and employees may be facilitated and peace be promoted in the railroad industry. This bill is presented for that purpose.

To understand this bill it is necessary that we proceed with more imagination than those possess who rely on mere "hunches" and suspicions. It is necessary that we should regard the frame in which the picture is hung. It is important that our eyes should dwell upon the background and upon the lights and shadows that play around it. Bear in mind that

this is not a lawyer's bill, nor was it written by attitudinizing statesmen feeling a need to keep themselves square with their constituencies. It comes from no sources of theoretical legalism, nor of practical, though pushcart, politics. It is a practical bill—practical as set off against theoretical and fanciful and as distinguished from mere “hunches” and suspicions. It is a bill which embodies an agreement made between practical men who understand human psychology down to its very roots—of men who have spent their lives dealing with railroad labor and with the issues that arise between railroad managers and their employees.

The employees were represented by Mr. Robertson and Mr. Doak, and the railroads by Mr. Lee and Mr. Walber, all highly capable men with lifelong experience in dealing with these matters. Mr. Robertson, president of the Firemen's Brotherhood, and Mr. Doak, vice president of the Trainmen, are men of high ability and character. They are two of the outstanding men in the labor movement. They represented the employees.

Mr. Elisha Lee, of the Pennsylvania System, and Mr. Walber, of the New York Central, who represented the railroads, are men of a high type, who combine great ability with a lifelong experience in dealing with railroad labor from the employer's standpoint.

DRAWN BY PRACTICAL MEN WHO WANT PEACE

These practical men, who knew their subject and knew what they wanted, got together. They wanted to produce peace in the railroad industry. They wanted harmony between the employers and the employees. They were tired of bickering and strife and confusion. They were not guessing and were not acting on suspicions. They got together and they agreed on what this bill should be. The negotiations were carried on for a long time. The agreement represents numerous concessions by both sides. Familiar as I am with the policies of labor and the principles to which the unions give adherence, I recognize that in certain provisions of this bill labor has made great concessions. Labor has gone a long way. It has gone the extreme limit to which labor may go without a sacrifice of fundamental principles. Probably those who understand the viewpoint of the employer side as well will note that similar concessions have been made on that side.

These practical men got together and agreed upon the terms which should be expressed in this bill. Having agreed, they then called in their lawyers to put that agreement into legal shape as an act of Congress. Mr. Richberg represented the employees in this work. In my opinion he is without doubt the ablest man in the whole country in his line, in his combined ability to understand the viewpoint of labor, in his knowledge of the laws relating to labor, and in his ability to write such an agreement into a proper and understandable bill. Mr. Richberg knows more about the laws relating to labor and about the psychology of the labor movement than any lawyer in America.

On the other side was the able and gifted Colonel Thom, who represented the railroads. Here in the presence of my Virginia friends, I feel like calling him “Colonel Thom, of the Eastern Shore”—Colonel Thom, the old-fashioned Virginia gentleman, who, beneath the guise of his courtly manners and

dignified presence, carries to-day one of the greatest brains there is in America. Oh, how I wish Colonel Thom could be hired as the advocate of the people of the United States instead of the railroads of this country. [Applause.]

These two gifted lawyers, having only one end in view—that is, to put the agreement between labor and the managers into proper form for the promotion of peace in the transportation industry—got together and wrote up this bill. They appeared before the committee and explained it. We gave it many days of careful consideration. Colonel Thom and Mr. Richberg had worked upon it for weeks and the committees representing the employees and the managers had labored for months. Yet we are called upon now, upon the spur of the moment, to reject some of the most important and serious provisions of the bill and to thrust into it inconsistent and half-baked ideas which may render it wholly unworkable.

SPIRIT IN WHICH BILL IS PRESENTED

The most valuable thing in connection with this bill is the psychology which lies back of it, the sincere desire for peace between themselves on the part of the managers and the employees. The value which this bill has consists chiefly in the fact that the antagonistic parties have approved it, that they really want peace between themselves, and that they ask its passage in the interest of peace. It lies in their confidence in the measure and their pledge of mutual faith for its support. It lies in the bill being actually used for the settling of disputes. If the parties proceed under the provisions of the bill, if they try in good faith to adjust their differences between themselves, and failing that listen with attentive ears to mediation and finally submit the matter to arbitration, the bill will be a success. Such actions must in their nature be voluntary. Their value depends on that fact. The parties must be encouraged to rely on the bill. Any change in the bill which would tend to discourage the resort to its machinery or the final submission of the matter to arbitration will tend to defeat the purpose of the bill and to rob it of its value.

As I have stated, the committee gave many days to the consideration of the bill. The press carried accounts of our hearings. All hearings were public. All interested parties were given a chance to express themselves. Aside from the representatives of the managers and of the employees, the only appearances in opposition to the bill were by the agent of the National Manufacturers' Association and by an attorney for certain New England manufacturers. No other interests opposed the bill.

Traffic associations, great shippers and employers, coal operators, supply men, farmers, traveling salesmen—all having vast interests in transportation—none of them appeared. No one opposed the bill on their behalf. I call particular attention to the fact that the farmers' organizations did not appear in opposition to the bill. It seems strange that their legislative agents, who, as I understand, are kept here in Washington to represent the Grange and the Farm Bureau Federation did not wake up until the committee had finished its work. They did not appear before the committee. They did not ask to be heard. Now, we find them galvanized into life and presenting objec-

tions to the bill. Of course, we know that their folks back at home have made no study of the bill and are not really opposed to it.

OPPOSITION DESIRE STRIFE AND DISORDER

The National Manufacturers Association is composed of great employers of labor, organized, as I understand into an "open-shop" association. The real capacity in which they opposed this bill was as "labor baiters." In that capacity their agent shone most. It is charged against the Communists that they desire political revolution and disorder, and that they hope to gain political advantage from civil strife and confusion. Whether this is true I do not know, but it is a fact that there are those in the labor world who want to see strife and conflict. They do not want industrial peace. What they want is confusion and bickering and strikes and riots—they hope to gain out of such turmoil some advantage for themselves in the form of cheap labor and slave conditions. They want to destroy the unions so that in the rout which follows they will be able to take a few more cents each day of profit from the laborer's toil. Oh, how foolish they are—how blind they are. They can not see that, although they may gain to-day, they will lose to-morrow; that although it may be a dollar in their pockets now, it will be many dollars out of their pockets in future; that although they may save the present, they will destroy the future.

The enlightened employer recognizes that agreement among the parties is the way to prevent industrial strife, and that agreement is the way to peace. He wants peace in the industrial world. The enlightened employer recognizes that man can not be made to work by force, that force is a poor instrument for use in industry. As was well said by the able gentleman from Connecticut [Mr. MERRITT], intelligent employers in these times recognize the fact that you can not make men work by force. You can not chain them to their jobs, and although you outlaw strikes, and even though you may assemble soldiers in serried ranks, at last you can not have efficient production unless the worker wants to produce. [Applause.]

It is indeed a happy day when we find evidence of this enlightenment among the great employers who operate the railroads.

FAITH IN FORCE, THE CROWNING FOLLY OF THIS AGE

So far as I know, I am the only unrepentant and unapologetic pacifist remaining in Congress. I admit that I am a pacifist; yea, I boast it. I mean a pacifist in the true sense of the word, not in the sense of those who use the term as an epithet—one who hates war and would rather rely on justice than on force. I received a slanderous publication this morning in which I was accused of being a radical and a pacifist. I am glad that the man sent it to me by mail instead of delivering it in person, for remember that after all I am a "fighting pacifist." But, as it is, my sense of humor has reasserted itself. He called me a "pacifist." Of course, I knew what he meant, and that was why I resented it. Had he called me a "Christian" meaning what he did, I should have felt the same. I am proud of being a pacifist in the true sense of the word, in that I do not believe in force.

The crowning folly of this age is its faith in force. The militarists believe in physical force. The legalists believe in legal force. The sociologists believe in the force of public opinion, and of course they are more nearly right than the other two. But, after all, for every instance of misconduct corrected by force of any kind, there are 10,000 errors that are corrected by man's instinctive and natural love of justice and desire for righteousness [Applause.]

That which makes me so happy to support this bill is that it is the recognition upon the part of the great agreeing parties—labor and capital—that force is of little or no value. It is a march along the way of justice and righteousness. Labor always recognizes that a strike, which is a form of force, is not the best way to settle a dispute. Intelligent employers recognize that agreement among the parties is much better for industry than strike breakers slothing under the protection of the police.

This bill is a splendid promise of peace in the railroad industry. It images a beautiful picture of men sitting down together and discussing in calmness the issues between them. The picture is one of agreement between men of exhaustive knowledge on the subject. The adversary parties have agreed upon this bill. They have pledged their faith that it will work. As employers and employees, they have expressed their opinion that the bill will be a success. Who will dare to put his judgment against theirs? Only one who is better qualified or who has better opportunity for knowledge and experience should dare.

An amendment may have the effect to defeat their purpose. It will tend to relieve the parties of the responsibility which they have assumed. If we make a change so vital as to discourage arbitration, they will be relieved in some measure of their obligation to arbitrate. That follows inevitably. Such a change ought not to be based on speculation and suspicion, but upon an absolute certainty that it is desirable.

WHAT THE PUBLIC GETS

Some one has asked me "What does the public get out of this bill?" The answer is, the public gets peace in the railroad labor world, the public gets a reasonable certainty of the continuation of transportation at no added cost. That is all the public wants. It is all that it needs. It is all that it has the right to get. There is not the slightest reason to think that there is a chance that any wage settlement made under this bill will be anything but just and reasonable. There is as much probability of wage decreases as of increases. The public wants just and fair wages paid to railroad employees. The public has no desire to be benefited at the expense of the employees. After all, the public's chief concern is that the trains shall be kept running steadily. The public has a tremendous interest in peace between the employees and the managers. This is just such a bill as the public interest requires, even if it were not supported by the managers and the employees, who are directly interested in labor questions.

I believe that this bill will promote peace. Those who wrote it had that desire. They wrote it to that end. They settled its terms with that sole object in view. They were men of

long practical experience. They were not theorists. They were not dealing with abstractions. They had no critical constituencies before whom they were posturing. They had no necessity to make a pretense of zeal in the public welfare so as to keep themselves solid with their voters. All they had to do was the best they could to accomplish the purpose which they had in mind—to promote peace in the transportation industry. They say this bill will promote peace, and as such a measure I support it.

As a lover of peace I support this bill. I believe in peace—international peace among the nations of the world, peace between contending factions and antagonistic groups, peace between conflicting classes, peace between religions and sects, peace between men of every opinion, of every faith, of every class and of every land—the peace of God for all the world. I believe in industrial peace—peace between the master and him who toils—peace between labor and capital—peace which makes for a united country and the glory of America. [Applause.]

87565—2300

PRINCIPLE—THE GREAT NEED IN PUBLIC LIFE

The Black Bass Bill—Unloads Enforcement of Fish Laws on Federal Government—An Invasion of State's Police Powers—Partisanship in House—Need of Devotion to Principle—Philosophy of Machiavelli

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 13, 1926

The House had under consideration the bill (S. 3440) to regulate the interstate transportation of black bass.

Mr. HUDDLESTON. Mr. Speaker, this bill provides that anyone who transports in interstate commerce a black bass which has been caught in violation of the statute of any State shall be guilty of a Federal offense. He is to be prosecuted in a Federal court and sent to a Federal prison. The purpose of the bill is to unload on the Federal Government the burden of enforcing State fish laws. The only argument for it is that it will afford a very convenient and satisfactory means of prosecuting violators of State fish laws, will remove the accused from local sentiment and sympathies, and impose upon him a more drastic penalty.

The bill is not intended to protect the bass in States in which it is not now protected by State law. It does not forbid catching bass nor destroying them in any way. It is aimed merely at their transportation across State lines where they have been previously caught in violation of a State law.

The bill is in line with a good deal of recent congressional action. It is of the same nature as the Mann White Slavery Act, the car breaking act, the Dyer Interstate Automobile Act, and others of similar nature. Numerous other similar bills are pending, such as bills to prevent interstate commerce in pistols and similar bills. It is in line with all the numerous invasions of the police powers of the States, under the cloak of the commerce clause of the Constitution. Where these efforts will end, no man knows. Carried to its logical extremity, there is practically no activity which may be performed within a State upon which the Federal Government can not lay its hand under the commerce clause.

The situation leads to the inquiry: Is our system of value or is it not? Is there value in a governmental system which provides for the exercise by the separate States of their police powers, or should we consolidate all governmental powers in the hands of Federal authority and leave the Federal Govern-

ment as the sole governmental agency to deal with the situation? That is a question which each of those interested in political principles must answer for himself.

Again we must ask: Is there value in the principle of local self-government? Is there any reason why people of a locality should be trusted to deal with matters relating to themselves alone, or should we leave purely local matters to a supreme government seated at some remote place and out of touch with local conditions themselves? This Members must also answer to their own satisfaction.

As for me, I am an old-fashioned man. I believe in our traditions. I believe in our existing institutions. To me they are not merely matters of convenience. They represent substantial principles of governmental policy, which can not be violated with impunity. I believe in the Constitution, and in my efforts to honor it I shall not confine myself merely to its letter but will conform to its spirit. I will not, under the cloak of the commerce clause and under the pretense of regulating interstate commerce, deliberately violate the police jurisdiction of a State. Others may proceed as their lights may guide them.

The bass is king. He is king among fish, and he is also king among men. At his behest principles bow their heads in humble submission. Customs curtsy to him as they do to all kings. Great committees of Congress use the mighty tongs of their machinery to pick up a pinhead in the form of a statute for his protection. Dignified Members yoke themselves up to his ear. Great political parties bow and scrape and do him obeisance. The bass is king, and the catfish has no rights that he is bound to respect. [Applause and laughter.]

I congratulate the gentleman from Missouri [Mr. HAWES], the author of the House bill, which is the same as the Senate bill. Parties and partisan spirit have bowed themselves before him as the prime minister of the king of fishes. From March 4, 1919, to the present moment this is the first bill introduced by a Democrat that has been permitted to come before the House for passage—I mean a bill of a general nature or of any importance. I make no complaint on that score. It is a custom of the House for the majority party to control.

The Republicans are in a majority in both Houses of Congress. They have the Presidency. They are responsible for the Government. During that seven years had anything good been done, which it has not, the credit would have been theirs. For all of the failures and omissions of Government, for all of its faults, the responsibility lies upon the Republicans. They have the right not to pay any attention to a bill fathered by a Democrat. They have exercised this right for more than seven years. For more than seven years no Democrat has been permitted to father a bill of any importance which has passed the House.

But this spirit of partisanship and this partisan practice has bowed to King Bass, whose champion the gentleman from Missouri [Mr. HAWES] is. When the interests of this king of fish are involved, majorities dissolve and cease to function. Partisan committees fall over themselves in haste to report the bill. In such a glorious cause even a member of the despised and lowly Democratic Party is permitted to write a bill and to get

it before the House. It is about to be passed. Put a feather in your cap, Mr. HAWES, because you have done a great work.

Mr. RUBEY. Is it not a fact that the Aswell agricultural bill is before the House at this time?

Mr. HUDDLESTON. No; that bill is not before the House. In point of fact, there is not anything, before the House in respect to agriculture except some anxious Congressmen with a weather eye on the next election [laughter]; and, God knows, I sympathize with these my brethren.

I know you are going to vote for the bill. Here the bass is involved, and he is of vast importance. But just here let me read you a little lecture. I do it with all humility and recognizing my own shortcomings and weaknesses. Always I see a greater light than I am able to follow, but let me read a lecture to you, my brethren. The crying need in the Congress of the United States is for men of principle [applause], men of heart and brain enough to fix upon a set of political principles as a guide for their conduct, and with courage enough, having fixed upon them, to adhere to them through night and day, under all circumstances, and without fear or favor. [Applause.]

If this Republic is to be saved, it will be saved by men like that. If it is to be lost, and if its traditions are to be destroyed, it will be by those who act here merely in accordance with the dictates of convenience and in obedience to unthinking or selfish constituencies. [Applause.]

The trouble here is that we forget principle and yield to mere convenience. Always the question is, What is the most convenient way to do this thing that I wish done? We have in our minds ends which we wish to accomplish. We strive to get through to these ends. We do not sufficiently regard the cost of getting through. We usually break through with the weight of a majority who do not think. We do not hold to high principle and take it as our sole guide and regard the mere end as a matter of secondary importance. In short, we have not yet unlearned the folly of Machiavelli. All of us agree that principles are worth while. All assert loudly that we want to follow them and that it is ruinous not to do so. We say that we do not believe that the end justifies the means, yet too often, almost always, we act as though a desirable end is everything and the means to it is of no moment.

By this bill we want to protect the bass in his cool retreat. Well, the most convenient way to do it is to unlimber the great powers of the Federal Government, invoke the Federal judiciary, call out the Army and Navy. That it violates our principles is nothing; that it makes a farce of the American system is nothing; that as a precedent it is fraught with great danger is nothing; that it is in principle and in spirit a violation of the Constitution is nothing, provided we may find a legalistic cloak for our action under the commerce clause. [Applause.]

Gentlemen stand in the House and cry with a loud voice against the tendency of the Federal Government to usurp the powers of the States. In season and out of season they cry out against the centralization of government in Washington. Oh, you all do that. Hardly a meeting of citizens can be gath-

ered together anywhere without some public man getting up and puffing out his chest and crying out against centralization and the interference by the Federal Government with the functions of the State and with the liberties of the people. Especially are such outcries heard at meetings of business men, and there they sound a strident note against interference with the activities of business. Business men are not usually greatly interested in civil liberties, but they are tremendously interested in the right of those engaged in business to do whatever they may that will bring in profits.

The gentleman from Missouri [Mr. HAWES] is one of the main "criers out" against centralization, but, just like the rest, when he gets an opportunity to do something that he wants to do, to accomplish some purpose that is next to his heart, then away with theories and away with opposition to centralization, and "Come to my arms, you black bass." [Laughter.] But I am far from intending by that remark to call my good friend Mr. HAWES, for whom I have great respect and admiration, "a big fish." He has sworn allegiance to the king of fishes, and he must serve him, at no matter what a sacrifice of consistency. But other Members are yet free to make a righteous decision. I wonder whether they will prove themselves "big fishes" and fail to stand by their principles.

Do you believe in the exercise by the States of the police powers reserved to them by the Constitution, or do you believe in invading these powers under the pretense of regulating interstate commerce? The answer will be shown by the way you vote on this bill. This is all I have to say, and as it is, it is too much. [Applause.]

98964—2651

Government by Organized Selfishness

Speech of
Hon. George Huddleston
of Alabama

in the

House of Representatives

Friday, February 19, 1926



Washington
Government Printing Office
1926

87751—2307



SPEECH
OF
HON. GEORGE HUDDLESTON

Mr. HUDDLESTON. Mr. Chairman, in my remarks in the House a few days ago I said that the greatest threat to our political institutions lies in the influence of selfish groups upon the Government. This influence operates upon the executive and judicial branches as much as upon the legislative branch. Indeed, it may be said that this influence is more pernicious in its effect upon our courts and upon those who administer our laws than upon Congress, which makes the laws. The main activities of the legislative branch are in the open. Our votes are duly recorded. We perform under the critical eye of the public, which has been duly trained to criticize and deprecate us and at the same time to clothe the Executive and the courts with sanctity. And so, we are held to a higher account of performance than the judicial and executive branches.

However, the purpose of what I have to say is to point out the effect of organized selfishness on Congress alone. In this I shall not dwell upon its indirect effect through molding public opinion as an instrument with which to control Congress. Yet, after all, that is its most dangerous influence, for the power of organized selfishness is so great that it is able to control and mold public opinion to suit its purposes. By poisoning the sources of the people's information and corrupting its channels by misleading propaganda it may mold a false public opinion and create an artificial demand for legislation against the public interest. By welding his constituency into hostility against him, it may destroy a Congressman who opposes its schemes. It may do even worse by its propaganda—it may bludgeon a Congressman until he becomes its servile tool.

AMERICA IS RULED NOT BY PARTIES BUT BY GROUPS

The Speaker of the House is a wit. To his reputation in that capacity he may now add that of an ironist, for surely finer irony was never uttered than when, in his inaugural address, he referred to the two-party system as "the American system." America is not ruled by parties. Parties are merely the instrumentalities by which the real rulers of America—and this does not include the plain citizen—by which the real rulers work their will. [Applause.] If we had three parties, they would rule just as absolutely through three as through two. I say that for the benefit of my friends who may belong to a third party. [Applause.]

Just across the square in front of the White House is found what is perhaps the most beautiful building in Washington. It is a veritable palace, the recently completed and luxuriously furnished home of the United States Chamber of Commerce. It is not a Government building, yet for its size it is probably the most expensive building in the Capital City, with all its expensive and beautiful buildings. Its cost is said to have been

about \$3,000,000. It is the home of organized business in the National Capital.

Now, business as such has little activity in the Capital. The centers of financial life are elsewhere. Our great industrial activity is remote from Washington. The marts of trade and commerce are not here. Washington has only a single important aspect, and that is that the heart of American political life is here. And nestled against the White House, which shelters the Chief Executive, is this temple of organized business.

Why was this home of organized business located here, close to the political heart of America? For the very obvious purpose, which no intelligent man would question, of bringing influence to bear upon our Government. And they are in politics up to their eyebrows.

In 1924, which is the last year for which I have the figures, a meeting was held of the members of the United States Chamber of Commerce, which is a federation of American business organizations. This meeting was attended by over 4,000 representatives, coming from its over 1,300 different constituent bodies. Chambers of commerce of your city and of mine, boards of trade of great marts of commerce and centers of finance, and civic bodies and trade organizations from cities, large and small, on down to even the whitewashed villages of the land; they had their representatives at this meeting. They took their cue; they formed their common view; they settled their policies; they were taught what to think and what to say. There was the influence of organized business coordinated and shaped for its effect on public affairs.

GROUPS IN POLITICS FOR SELFISH GROUP INTERESTS

Mr. Chairman, these business and trade organizations are not in politics as soldiers of the common good. They are not battling for the common welfare. They are not organized as citizens, but as members of business groups to protect their group interests and not their interest as citizens.

Every citizen is a consumer, yet he is not organized as a consumer. Instead, he is organized as a manufacturer or a banker or a dealer or as a member of some other occupational group, and his activity and influence are thrown into the scale in behalf of his occupational or trade-group interest. He is willing that his interest as a consumer may be sacrificed to his interest in business or trade.

Members of organized groups do not respond to public issues as citizens merely. They respond mainly as groups. Each considers the selfish interests of his own group as superior to all other considerations. So long as you do something for the selfish group to which a man belongs, he is for it, and he loses sight of the harm it may do to the general public. Group members are thinking in terms of groups and selfish group interests. They are not thinking in terms of future generations; they are not thinking of the unorganized multitudes who have no way of expressing themselves.

NEED FOR UNION OF CITIZENS AS CITIZENS

Oh, how I wish we had a great union of citizens in this country, an organization of citizens as citizens, of men who

think about the future of America and about coming generations, of men whose highest hope and aim is to see America achieve her high destiny as an exemplar of justice and liberty to all the world. How I wish the great business men of our country would submerge their selfish interest into the common good and in a desire to serve the common welfare.

Congressional action is taken only when party leaders feel that the demand for action is so strong that it may not be ignored with safety. Such a demand can be produced only through organized effort. The general public is not organized. There is no army of the common good, hence the interests of the general public are little considered. There are thousands of organized groups having political aspects and activities. At the proper time they come into action in behalf of their group interests. There are, for instance, many thousands of members of trade and business associations. All are citizens, but they are not organized as citizens, and they do not react as citizens. Their influence as citizens and from the sole standpoint of the common good is not exercised. They react as men engaged in their various trades and occupations, and their concern relates merely to the aspect of the matter which affects them as such.

HOW LAWS ARE WRITTEN

Take the tariff, for illustration. Protective tariff laws are written by a process of trading among the groups who expect a direct benefit. They trade off with each other the general public welfare for their private group interests. Enough selfish groups get together to dominate the Government by their aggregate strength, then each gives the other what he demands, as the price of his support for the common selfish purpose. Each knows that the other is robbing his group, but for the privilege of putting his own hand into the pocket of the public, he submits to the other group picking his pocket. A, B, and C submit to being robbed by each other for the privilege of robbing the other letters of the alphabet.

For another illustration. I sit on the Committee on Interstate and Foreign Commerce. A measure comes before my committee greatly affecting transportation, and what do we have? Of course, the bill will not be considered unless the political powers that be desire that it be passed, or are afraid not to allow it to be considered. But assuming that the great hidden hand moves behind the scene—a hearing on the bill is held. Who comes before the committee to discuss the measure, a great measure affecting the public welfare and the whole people of the United States? The transportation companies come, represented by the best brains and influence that money will buy, and, oh, how I mourn the fact that it will buy the very best there is in the country. And if the group interests of the great business and manufacturing interests are involved, their paid lobbyists will appear. And if labor's interests are involved, the representatives of organized labor will come before us. And if the measure directly affects some important group interest of the farmers, the representatives of their organization sometimes appear. But the people as people, the citizen as a citizen, is rarely or never represented. The masses are never heard, and their reaction is ignored altogether. No

eloquent counsel or wily lobbyist speaks for them. The plain, unorganized people at home in the distant States remain in ignorance of what is going on, and the standpoint of the public welfare is never presented to the committee. We hear none of the public's argument. We learn nothing about its side of the issue.

* * * * *

As an illustration of the usual course: My committee has just concluded consideration of the railway labor bill, a measure of great importance and of much merit. The railroads were represented, labor was represented, an "open-shop" organization had their lobbyists there, the representative of the National Civic Federation appeared, and also an attorney for New England employers of labor. The general public did not come. The people have no organization through which they might have been heard. Of course, I do not criticize those who appeared, nor do I criticize the committee. It is the system that I criticize. What I am saying is that citizens are unorganized as such and have no way of making their influence felt on legislation.

THE GENERAL PUBLIC IS NEVER HEARD

Naturally committees which hear the arguments of selfish groups only, and to whom the side of the common good is not presented, are filled with the views of those who appear and give first consideration to their views. The tendency is, of course, to assume that the public has no interest or that its interests are protected where no protest from the public is made.

And when the measure comes before the House for consideration, the committees repeat the arguments of the selfish groups which appeared before them, and except for the small voice of some illy-informed Member, who speaks from his own initiative only, the unorganized public interest is never heard from. Legislating under such a system and influence, how could it be otherwise than that everything that Congress does is wrong.

Mr. O'CONNELL of New York. Are not the people represented by the members of the committee?

Mr. HUDDLESTON. Occasionally Members represent the people at large, but in the main, Congressmen, after they get to Washington, represent those who supported them in the election back home. Why shouldn't they; surely no constituency has the right to expect their Congressman to be more patriotic or to hold to higher ideals than those whom he represents. The same selfish groups that have control in Congress control the elections at which Congressmen are elected.

Mr. O'CONNOR of Louisiana. Did not the attorney for the manufacturers' association who appeared before the committee on the railway labor bill pretend to speak for the people and voice their sentiments?

Mr. HUDDLESTON. Parliamentary usage requires some sort of observance and respect, and, too, there are ladies in the gallery. I could not do justice to that subject under such handicaps. [Laughter.]

The point I am trying to make is this: Men, good men, patriotic men, are not organized as good and patriotic citizens, but are organized as bankers, manufacturers, dealers, and as

laboring men. Practically every business man belongs to some trade or business organization. All react through their groups and organizations. Their reaction is a group reaction. It is a business or occupational reaction. Nearly always it is a selfish reaction. It is not possible that influence formed and exerted in this way should be otherwise than harmful. There are, of course, certain groups not organized on occupational or trade lines, but always they are group organizations in a larger sense, and are based either on business, society, or class, and their activities can not be other than harmful in a general way as representing the reaction, not of the general public, but of a narrow stratum or class.

LOBBIES FOR ORGANIZED SELFISH GROUPS

These illustrations which I have given are merely to show how laws in general are written. Selfish groups demand a certain law in their own interest, and the law is passed when the group which makes the demand is strong enough or cunning enough in propaganda to make it appear politically dangerous to ignore its demands. Where other groups fear their group interests may be prejudiced by the law, they swing into action and concessions must be made to them or the measure will not be passed if they are powerful enough to prevent it. Members of groups may know of governmental abuses—they may know that a measure should not be passed—yet if it does not affect any of their group interests they feel obliged to make no outcry. They seem to feel that they are under no duty to defend their rights as citizens, but to resist only such wrongs as may affect their group interests.

It is said that there are in Washington something like 100 organized lobbies. Of many of them the public never hears, and some of them remain unknown even to Congressmen. They are here as the paid agents of selfish groups and organizations practically all of which are organized on the dollar basis hence it is only the dollar interest of the citizen that they speak for. You may do what you like to the general public and it will pass unnoticed, for the sole duty of these group agents or lobbies is to look out for the group interest which they are paid to protect.

Mr. DEAL. Members of Congress and the members of the committees represent the people here. I would like to hear the gentleman on that line.

Mr. HUDDLESTON. I reiterate that the same groups whose agents and attorneys appear before the committees of Congress control the elections back at home. The gentleman from Virginia [Mr. DEAL] is an able and patriotic Congressman, yet that will not get him reelected. His reelection will depend upon what the organized business groups in his district think of his ability to get some local benefit of a business nature for his district and of his ability to protect their group interests in Washington. The organized groups control the press and the channels of information. Upon their favor depends whether a Congressman shall be presented at his true value to his constituents. If his course has not pleased these groups he will be ignored and depreciated in the interest of his opposing candidate. The gentleman from Virginia [Mr. DEAL] will not be reelected by his people reacting merely as citizens, but it will be in their capacity as bankers, merchants

and other business men and from the viewpoint of selfish business or occupational interests that they will go to the polls.

Mr. BEEDY. I agree with much that the gentleman has said. We all recognize it as facts. I want to ask the gentleman how he thinks we are ever going to improve on this situation until human nature itself is changed. What is the remedy?

Mr. HUDDLESTON. As I intimated at the beginning of my remarks, the remedy is for men to organize themselves as patriotic citizens so that they may react as patriotic citizens to public questions. If men of wealth and influence would forget that they are manufacturers and bankers and whatever else their business may be, and remember only that they are citizens, all would be well. If they could be induced to serve their country as citizens instead of serving themselves in their group interests, our Nation's troubles would be greatly lessened. I would have men, whether of high or low estate, to forget their selfish interests and to think only of the common good. I would have great business men to erect here in Washington a shrine to idealism, instead of a temple of man's organized selfishness, such as the United States Chamber of Commerce building. [Applause.]

87751—2307

Qualifications for Judicial Office

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 9, 1926

The House in Committee of the Whole House on the state of the Union had under consideration the bill (S. 2858) to increase the salaries of Federal judges.

MR. HUDDLESTON. Mr. Chairman, this bill increases the salary of the Chief Justice to \$20,500 per year, of associate Supreme Justices to \$20,000 per year, of circuit judges to \$12,500 per year, of district judges to \$10,000 per year, and so on. The average increase is about one-third above present salaries.

We are told that certain Federal judges are threatening to resign if their salaries are not increased. I would suggest to any judge who contemplates resigning that he do not hesitate. We can get just as good, if not a better, man to take his place. The life tenure of Federal judges, the good salaries which they now receive, and the honors and dignities which attend the office make it very attractive. There is not, on an average, one lawyer out of a thousand in the various towns and cities of the country who would not accept an appointment even as a district judge, the lowest in rank, with great pleasure. Whenever there is a vacancy, I notice that there is an intense scramble among the considered-to-be eligibles as to who shall receive the appointment.

INCREASED SALARIES WILL NOT IMPROVE THE JUDICIARY

We are told that increased salaries will draw a higher type of men into judicial office. If I felt that an increase in salary would produce an improvement in the Federal judiciary I would vote for this bill without hesitation. If I felt that an increase of a few thousand dollars annually would point the judges to higher ideals of public service, to a better understanding of the fundamentals of democratic government, would make them more considerate of the lawyers and litigants who appear before them, and would make them less egotistic and arrogant in their conduct, I should most assuredly vote for the bill.

But, to the contrary, I know that no such results will come. An increase in salary may, indeed, lure away a few eminent practitioners from the service of great corporations; it may seduce from private practice a few money-loving lawyers into the public service; but it will not bring into judicial office men of greater learning or of higher ideals. Such men are not for

sale. They serve without regard to the salary which they may receive.

A certain minimum, of course, is necessary. A public officer must be paid enough to afford him a decent living. But it is not required—indeed, the safety of democracy does not permit—that we shall undertake to place public officials on a scale of living equal to that of the rich. To do so is to place them in an environment which is destructive alike to the principles of equality and to devotion to the general welfare.

The way to reform the Federal judiciary is not by increasing salaries. If we desire real reform, I should say that it could be accomplished better by extending the power of the legislative branch of Government further over the judiciary. The legislative branch, composed of Senators and Representatives, so far as real substance goes, is the only branch of Government which represents the people. We are directly responsible to the people. They elect us to office and they have the power to end our political lives. Officials of the executive branch, except for the President, are not chosen by the people. Even the Presidency itself is filled indirectly; and under our present system, the voice of average men and women in the selection of the Executive is slight indeed. The judicial branch is not to the slightest extent under popular control. Judges do not depend upon the favor of the people for their elevation to office, and alas, it is often the case that they care nothing for the will of the people. Under our present system, men are appointed to Federal judgeships who could not be elected constables in their home precincts—who could not be elected, not merely because of lack of personal popularity, but because in their character and practices they do not hold the confidence of their fellow citizens.

I submit that the great need of the judiciary is that it should be made more responsive to the principles of democracy, and that our judges should have a better understanding and feel more concern for the citizens whom they are supposed to serve. As Congress is close to the people and more fully reflects the popular will, I would extend the power of Congress over the judiciary in whatever respects the Constitution would permit.

HIGHER IDEALS NEEDED IN WHITE HOUSE

One way by which the Federal judiciary might be improved is to have men of higher ideals in the White House—Presidents who would refuse to fill judicial positions with “lame ducks” and repudiated politicians; Chief Executives who would have the courage and patriotism to select men of the finest type and who would not bow to party considerations and to political influence; who would not confer judgeships as a reward for party service. [Applause.] We need men in the White House who understand America and the principles upon which our country is founded, and who will not appoint to these positions of tremendous importance the servile agents of great business interests or those whom such interests may indorse. [Applause.]

I am thinking now of the “Cullop amendment,” which had for its purpose to force the Executive to make public the influences and recommendations under which a judge was appointed. The measure was brought into the House when we had a Repub-

lican President, yet had a Democratic majority in the House. It was aimed at President Taft and certain appointments which he had made. I remember how the Democrats voted for it and how the Republicans voted against it almost unanimously. Then I remember that a little later a Democratic President came into office and the same Cullop amendment was again presented in the House, only now it came from Republican sources and was renamed the "Mann amendment." Its purpose was exactly the same as the Cullop amendment. And then we had a complete reversal on both sides. All the Republicans voted for it and all the Democrats voted against it. And I remember that, as then a new Member of the House, I thought that neither side had any consistency, that party advantage was everything, and principle was nothing. Both sides are recorded against it and both sides for it. [Laughter and applause.]

So from that day to this the matter has never been presented again. The House must love the system under which great selfish interests may, like Satan, "squat like a toad" at the ear of the Chief Executive and influence him in secret to select those who will do their bidding.

NOT TRUE THAT "EVERY MAN HAS HIS PRICE"

Mr. Chairman, this bill is in thorough harmony with the spirit of the times. It assumes that there is nothing worth while except money and that money will buy everything. Thank God all of the people do not feel that way about it. When all do feel that way, America will be lost, and judges can not save it.

This bill is inspired by the thought, not spoken, it is true, but which shines through it, that the best men must be bought into the public service; that to induce men to serve the public in high positions in the judiciary and elsewhere the Government must compete in salaries with private business. That is just another typical folly of these times. In many respects we are exceedingly wise, but in others we are unspeakably foolish. In nothing are we more foolish than in the thought that the best service of men may be bought with a price. I stand here to defend my fellow men. With all my soul I deny that "every man has his price." It is slanderous of humanity. I stand here to proclaim that the highest and best that is in man can be elicited only by his sense of duty.

There are, of course, those who may be bought through pandering to their selfishness. There are those who will give their souls for power or fame, or even for the lesser rewards of money and ease and luxury. There are those who are consumed with avarice, greed, and selfishness. But these are of the mere dross and dregs of society.

The great body of the people, the average men and women, give of their best in the service of others. They give it as soldiers fighting for their country. They give it as missionaries in the trackless jungles of distant lands. They give it as mothers and fathers in sacrifices for little children. They give it as humble citizens leading useful and ordinary lives. The best and highest is elicited from public servants by the thought that they serve their country and their fellow citizens. You can not buy it and you can not hire it. It is above money and without price. [Applause.]

You may increase salaries to \$50,000 or even \$100,000 a year, but you will not raise the quality of the Federal judiciary as much as one hair's breadth. To the contrary, you will probably lower judicial standards. You will probably merely insure that the appointments shall go to those who enjoy the highest social positions, whose associations are with the elect and exclusive, and who are accustomed to lives of luxury. The distinguished Senator NORRIS, of Nebraska, never said a truer thing than when he said, in substance: "You can not expect a judge who habitually puts his feet under rich men's tables at dinner at night to be able to hold the scales of justice equally between the rich and the poor on the morrow."

WHAT MAKES A GOOD JUDGE

It is foolish to think that to get good judges we must select them from among the lawyers who earn large incomes. Large incomes are rarely earned by lawyers except in the defense of property, wealth, and position—in the service of great property interests. That kind of lawyers rarely make good judges. The eminent practitioner who gains large rewards for serving private interests is not the kind of man to make a judge out of.

A good judge must be a man who has a strong, instinctive love of justice, a man who can not be bought to serve selfish interests against the welfare of his country. He must not have in his nature that wolf-like quality which is so often a characteristic of the successful lawyer. He must be a student and yet have a large outlook on life, with a deep understanding of its true significance. He must love the spiritual life and recognize that after all it is the only life that is real, and that all else crumbles and passes away.

Instead of a "money-getter" a judge should be indifferent to money. His ideas must be high. He must be above the selfish considerations that move men who think chiefly of financial returns. He must love the business of judging for its own sake, and must do his work even as the artisan who finds his glory in expression and in doing good work. He must love his Maker and want to do his will. He must not have thought of rewards, but be animated by the instinct expressed in Kipling's "Painter"—

And only the Master shall praise us, and only the Master shall blame;
And no one shall work for money, and no one shall work for fame.
But each for the joy of working and each in his separate star,
Shall draw the Thing as he sees it for the God of Things as they are.

[Applause.]

26671—3295

AGAINST WAR WITH MEXICO

SPEECHES
OF
HON. GEORGE HUDDLESTON
OF ALABAMA
IN THE
HOUSE OF REPRESENTATIVES

ON JANUARY 8, 11, AND 14, 1927



WASHINGTON
GOVERNMENT PRINTING OFFICE
1927

29301—3351



SPEECH
OF
HON. GEORGE HUDDLESTON

Saturday, January 8, 1927

Mr. HUDDLESTON. Mr. Speaker, are we going to have war with Mexico? That is just now the most important question before the American people.

If Congress does not want war, then it is time that Congress had something to say on the subject. I have waited for members of the committees of the House and of the Senate who have charge of our international relations to bring this subject up and to present the views of the American people upon it. They have not done so, and I am unwilling to wait longer, because I feel that we are drifting rapidly into a situation when war will be inevitable.

I occupy in this House no position of great responsibility or influence in a party sense. However, I have a duty which I owe to over 400,000 people of the ninth district of Alabama. Also I have a responsibility to those multitudes of a certain school and habit of thought and of economic interest who are scattered throughout the country. I am not going to sit silent in this chamber and let my country be jockeyed by diplomatic maneuvers into a situation from which we can not recede without an appeal to war or a sacrifice of national honor and dignity. And I meet my responsibility to my constituents and to those of my school of thought throughout the country, and protest against the provocative course which the administration is following so assiduously. [Applause.]

I believe that 99 per cent of the people of the United States are opposed to war with Mexico. [Applause.] I believe that if it were left to a vote of the people at least 99 per cent, if they were permitted to express their will freely, would declare their opposition to it. And now I wonder whether that 99 per cent are to be hippodromed into an international war at the behest of the interests which I believe are behind the policy of the administration.

It is a fact that we have certain elements in this country who want war with Mexico. Some of those elements have wanted war for years, and the chances are we would have had it long ago had it not been for other international complications. They have sought to drive us into a war with Mexico for more than the last 12 years. Their purpose is deliberate. The people of the country have recognized it. They are the great American business interests that want the United States to go to war with Mexico for the protection of their mines and oil wells and for the profits they hope to be able to derive from the new "conquest of Mexico." They look only to profits from oil and mines and from their vast land holdings. They care

nothing for our duty toward a weak sister nation; nothing for the principles of international honor and rectitude. They think only of cent per cent and the "clink clink" of gold on gold in the strong boxes of the great counting houses. [Applause.]

Recently the ranks of those who would view without regret difficulties with Mexico have been augmented by certain ecclesiastical influences which desire that we should punish Mexico for her alleged abuse of religious rights. It is not my purpose to discuss the merits of that issue. I am not greatly interested in its merits. But I do say that in determining whether we will be an aggressor against Mexico we should consider the situation as we would if Mexico were a power stronger and greater than we are and not weak and helpless to resist our aggressions. [Applause.] We should not attempt to coerce Mexico merely because she is weak and poor and unorganized and helpless before us, but rather, like brave men, men who love their honor and who want to see the escutcheon of their Nation kept clean, we should be more jealous of the rights and sensibilities of a weak nation than if she were strong and dangerous as are some of the Old World powers. [Applause.] We should extend the hand of help to Mexico. We should lift her up. We should contribute to her peace and order. We should use our moral influence to put Mexico as a nation and the Mexican Government as a government upon a basis of solidarity. We should not whittle away her rights nor, using the manner of a bully, stand over her with a big stick trying to dictate to her upon matters of purely internal policy. We should not undertake to extort for American investors the profits which they expect to derive from their speculations.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. MOORE of Virginia. Does not the gentleman think that our policy with reference to Nicaragua, the Philippine Islands, and, perhaps, other places is also controlled by a subservience to great and selfish business interests as well as in Mexico?

Mr. HUDDLESTON. Oh, yes; and to be perfectly frank I might say to the gentleman that much of our internal policy is controlled by the same considerations.

My conviction is—and it is not a mere suspicion, but is based upon careful study of the developments which have taken place—that the administration is driving deliberately and consciously toward a war with Mexico. The events which have transpired have not been purely accidental and casual. The quarreling with Mexico over her land laws is aggressive and provocative. The sending of the marines into Nicaragua is for a deliberate purpose. The giving out to the world of the contemptible statement that Mexico is a Bolshevistic Government and that she is seeking to control Central America for communistic purposes was not accidental. That was deliberate. God knows it was mean and contemptible enough, and it would seem strange that any responsible official could have been guilty of such a crime by deliberation; yet, in view of the facts developed, it is impossible to escape the conclusion that it was a deliberate libel against Mexico and was committed in pursuance of a deliberate purpose.

What I am saying becomes peculiarly timely because of an official statement printed in the United States Daily of this date. I invite Representatives to read what the President said in that statement. The President has not spoken to Congress. He has not given us the benefit of his information. Congress has had no explanation made to it of the details of the negotiations. But apparently feeling it necessary to vindicate himself and his Nicaraguan activities before the world he issues a statement through the press, an official statement. It is unusual for the President to be so frank. Ordinarily he speaks merely through an "official spokesman" and not in person, but in this case it is the President himself who makes this statement to the press. It is quoted with his authority.

I will not take the time to read all the statement—it is very long—but I want to read a particular paragraph which, as I read it, filled me with apprehension. When I first read it this morning I went to a member of the Committee on Foreign Affairs and I said to him, "What are you going to do? Are you going to allow the President to put us into a war with Mexico?" And I asked him to bring the matter up on the floor of the House. He has not done so, and now I am going to do it. I know that Congress ought to be giving this matter some attention.

Here is what the President said:

The policy of the United States in protecting American lives and property in Nicaragua was reiterated at the White House, and it was further stated that American policy had not changed from that enunciated on August 13, 1878, when Secretary of State Evarts wrote to Minister Foster at Mexico City that American property must be protected and that the United States was "not so solicitous, nor ever has been about the methods or ways in which the protection shall be accomplished, whether by formal treaty stipulation or by formal convention, whether by action of judicial tribunal or that of military power."

Mark you, he expressly approves the use of force—he is not averse to the exercise of "military power."

And following that paragraph, the President said:

Rear Admiral Julien A. Latimer has full authority to take such action as he deems necessary to accomplish this protection.

The President has committed the carrying out of that policy to an officer of the Navy. The American Government in Nicaragua to-day is Admiral Latimer; the Congress of the United States in Nicaragua to-day is Admiral Latimer; you and I and the millions of plain citizens throughout this country in Nicaragua to-day are Admiral Latimer. To this naval officer has been committed the decision of these great questions of our national welfare.

Mr. BLANTON. Is it not a fact that in addition to the special interest in war that the special interests have that naval officers as well as high Army officers and low Army officers have a special interest in war, in that a rear admiral like Latimer can quickly become an admiral when war is on; is not that the fact?

Mr. HUDDLESTON. Honors, distinctions, emoluments, glory are won by Army and Navy officers only in military operations.

There is no other channel by which they may be achieved. We have placed in charge of the activities of our country in a foreign land for the decision of these momentous questions a man who has everything to gain for himself and for his class and for his associations by military actions and nothing to gain by actions which lead to peace. He has been trained to rely on force; he believes in it with all his soul. From youth he has been inculcated with the "will for war" and now can we expect him to work for peace?

Mr. BLANTON. I feel like cautioning our distinguished colleague from Alabama with reference to his brave remarks because of this fact: He has probably noticed in the last week that Mr. William Randolph Hearst, in all his papers throughout the land, in front-page editorials in big, black-face type, signed William Randolph Hearst, editorially spanked the President of the United States because Hearst said he was vacillating, had no policy, and then in the last day or two Mr. Hearst eulogizes him because he says the President has since gotten a policy and is sending battleships and the marines down to where they are needed. The gentleman might be editorially spanked in all of these papers, some of which at least may go into Alabama.

Mr. HUDDLESTON. May I say to the gentleman from Texas that I have been spanked in print so often that I am utterly calloused; it is impossible for Mr. Hearst to give me any pain. The esteemed Washington Post, that glorious organ of liberty and enlightened opinion, has also been spanking the President. It was his friend, his spokesman, his champion, and his admirer. It spanked him as a friend and it spanked him gently, yet firmly. It said that it was time now for the President to show some recognition of American traditions, and this and that—but now they have joined Mr. Hearst in the pæan of praise that the President has at last found himself.

Oh, there can not be any doubt that the President is yielding to the interests that want war with Mexico. [Applause.] And if we as Representatives do not want war we must speak up like men. If we are not willing in times like these to speak for our constituents and the boys at home who will fight the war, then it seems to me we had better get away and let somebody come here who will speak for them.

Mr. MOORE of Virginia. If the gentleman should think it proper to submit a resolution or resolutions indicating what he believes ought to be an announcement of a wise policy, I can promise, so far as one member of the Committee on Foreign Affairs can promise, that the proposal coming before that committee will receive prompt consideration. [Applause.]

Mr. HUDDLESTON. The regard which I have for the opinion of the gentleman from Virginia [Mr. Moore] is so great that a proper modesty requires that I should ask him, as a member of the Committee on Foreign Affairs, to prepare the resolution. He belongs on the committee and I do not. I feel it is incumbent on the committee to formulate such resolutions and to introduce them.

War is what we are driving for. I want to voice my opposition to it—to voice the opposition of all those of our countrymen who are opposed to war.

Admiral Latimer, in the exercise of the limitless authority which has been conferred upon him by the President has taken possession of a part of the territory of a foreign country. He has excluded therefrom Sacasa, the only man who really represents the people of that country—Sacasa, the only lawful President of Nicaragua. He has excluded and disarmed the forces that represent the only constitutional authority in Nicaragua.

I quote Senator BORAH, who knows more about this subject than anybody that I know of. And the fine thing about it is that BORAH can be depended on. He says:

I am opposed to our taking part in the controversies in Nicaragua or the Central American countries. But if we are going to take part, then we ought to take part on the side of the constitutional authorities. If there is anybody in Nicaragua who is constitutionally entitled to be President of Nicaragua it is Sacasa. In October, 1924, a perfectly legal election was held. The Solorzano and Sacasa ticket received about 48,000 votes and the Chamorro ticket about 28,000. According to press dispatches and statements at the time, it was one of the most orderly elections ever held in Nicaragua and was entirely satisfactory to our Government.

Shortly thereafter Diaz and General Chamorro began a revolution at a time when the situation in Nicaragua was satisfactory, generally speaking. They forced Solorzano to retire as President; thereupon, of course, Sacasa, as Vice President, would become President. But they drove him out of the country under a threat of death, and then Chamorro had himself elected President by the Congress. But our Government refused to recognize Chamorro. Chamorro then stepped aside and under pressure compelled the Congress to elect Diaz as designado. In the meantime, Sacasa had returned and had been declared President and undertook to assume the powers.

Now the result of it is that we have recognized those who started the revolution against the legally and constitutionally elected President and Vice President. Diaz has not any more right under the constitution to be President than any other person in Nicaragua whom we might choose. Diaz is President in violation of every provision of the constitution and in violation of the five-power treaty in Central America, and is held there by sheer force of foreign arms.

Admiral Latimer, with a naval officer's lack of regard for American traditions of free speech, has set up a censorship. What will he do hereafter? He has all the authority of a dictator—the President has clothed it upon him. To-morrow he may decide to disarm the entire Liberal forces. To-morrow he may seek to firmly establish in power this Diaz, the fool of the New York financial interests. To-morrow he may stop a Mexican ship with supplies for the Liberals, the lawful troops of Nicaragua. He may sink it. What right have we to declare that trade shall not be carried on between Mexico and Nicaragua or that Mexican vessels shall not carry into Nicaragua such arms or war material or anything else that their Government permits them to carry?

To-morrow Admiral Latimer may commit an act of war against Mexico—then what? I fear very much that he will provoke a situation that will not only put us into war with Mexico, but will be so outrageous in its implications that Mexico's sister nations, the Latin-American Republics through-

out, Central and South America, will feel that they can not longer submit to a bully swaggering up and down the Western Hemisphere. It may easily transpire that before this thing is finished we will be confronted by all these nations resolved no longer to submit to an assumption of American overlordship. We may be standing upon the edge of a volcano which may erupt with consequences of a tremendous nature.

I am opposed to war with Mexico. I say so now while it is yet time. I do not want to be jockeyed into a position where, as a Member of Congress, I may be compelled to vote for war and for the supplies to wage it in order to save my Nation's honor. The only time to protest is now.

If we do have a war I want to make some nominations to the forces that shall carry it on.

I nominate as right guide for the front line Calvin Coolidge. [Applause.] And as file closer Mr. Kellogg. I nominate for the front line Hearst and McLean of the Post, and those for whom they speak. [Applause.] I am not willing that a single American boy shall be conscripted and sent into Mexico to lose his life in order that the oil companies may pay dividends. [Applause.] I would send the oil speculators to fight for their own property.

Mr. BLACK of Texas. The gentleman realizes that it is the pacifists like Sergeant York that do the fighting in war times, and that editorial writers and jingo orators never do any fighting.

Mr. HUDDLESTON. If you should make it the rule that wars must be fought by the politicians and newspapers such as those who at present are jeopardizing the peace of our country, in their own person and without substitutes, and not vicariously—if we required them to do the fighting we would probably never have another war.

Tuesday, January 11, 1927

Mr. HUDDLESTON. Mr. Speaker, on Saturday last I did certain gentlemen the honor to nominate them for service in the war for the new "conquest of Mexico." It becomes my painful duty to announce that already two of those gentlemen have declined. I nominated Mr. McLean, of the Washington Post, and Mr. Hearst, of whatever he may be of. These gentlemen have not been so crude as to notify me that they would not be there at the appointed time. They have been diplomatic. They have conveyed their declination by implication which, of course, I can not misunderstand; in their newspaper accounts of my speech they have deleted their names from the nominations which I made. That means that they respectfully decline. [Laughter.]

We will therefore have to content ourselves with conquering Mexico without the help of Mr. Hearst or Mr. McLean in the active service. Of course, they will continue—as they have in the past and as such intrepid spirits always do—to fight valiantly with their mouths. They will continue to feel that they have performed the fullest measure of patriotic duty by inciting others to fight. But fight themselves! Oh, no; that is not in their line.

The gentleman from Texas [Mr. GARNER] suggests that Mr. Hearst and Mr. McLean may derive financial profits out of the

war. I do not know that. It is bad enough to do what they do from pure stupidity and meanness, not to speak of doing it for profit.

So we will have to get along the best we can without them. I fear that other gentlemen whom I nominated for military activity will also be found wanting. I have received no response from those whom I nominated for the front rank; to wit, the oil and silver barons. The response from my esteemed nominees for right guide and file closer came in the form of the President's message delivered to Congress on yesterday.

I rejoice that the President has deigned to communicate to the representatives of the people something of the situation. I fear, however, that his willingness to tell us about it is rather a bad sign than a good one. I fear that he feels that he now confronts us with a *fait accompli*, an accomplished situation. American marines to the number of some 5,000 are now marching up and down Nicaragua and, of course, there are no forces there that could cope with them. American warships are in the offing, and a large fleet is being assembled in Cuban waters. The whole maneuver seems to be something like trying to pick up a pin with an immense pair of blacksmith's tongs. The instrumentalities which we have put into motion seem altogether out of proportion to the task which the President says we have assumed.

As I listened to the President's message on yesterday I felt sorry for Mr. Coolidge. He is, indeed, an unfortunate man and his time has fallen under unfavorable conditions. As I heard his message, I thought, oh, for a Root or a Hughes or even for a Knox. They might have said the same thing in substance, but, surely, they would have done it with more tact. Surely there is some member of the President's party who has some slight familiarity with diplomatic usages.

The President is, indeed, unfortunate in having to rely in a time like this upon the admonition and advice of what in all candor and deliberation I can not find any other fit name for except "a bull in a diplomatic shop." [Laughter.] That diplomatic china is smashed; that the most valuable piece in all the shop is picked out, to wit, the friendship of the Latin-American nations, is lamentable, indeed. That that particular piece of crockery should be singled out to be demolished is, of course, what we might expect from a large, long-horned bovine animal wandering around in premises of which he has not the slightest comprehension. [Laughter.]

Out of the mass of irrelevant and extraneous matter—out of the haystack of the President's message—I have sought diligently to find the needle of its significance. I am confronted at the outset by the fact that as a whole the message confirms the charge which I made on the floor of the House on Saturday last that the administration is deliberately and consciously driving toward war with Mexico. The result may not be war. Mexico is weak and poor, she stands helpless before us, and perhaps she may swallow whatever remains of her Castilian pride and submit to the dictation of a powerful nation.

It is most unfortunate that the President of the American Republic saw proper on yesterday, intentionally and in a way which can not be misunderstood, to deliberately affront a sister

nation with which we are at peace. The references to Mexico in yesterday's messages were wholly unnecessary; they were not germane to the subject. Mexico was drawn into the Nicaraguan picture for the deliberate purpose of putting her in a bad light before public opinion in the United States, and to justify the administration in the measures which it purposes to take. Let there be no misunderstanding about that. The President sought to explain and to extenuate his activities in Nicaragua. He lugged in Mexico unnecessarily. His references to Mexico were largely by implication and insinuation. The direct charges that he made against the Mexican Government are so inconsequential as to deserve no attention; but by intendment and insinuation he undertakes to put Mexico in an unfavorable light. Whether he considers that his audience are simpletons I do not know.

The President underestimates the capacity of Congress and the American people. His insinuations against Mexico keep company with the statement which was given to the press some weeks ago, that Mexico is a bolshevistic government and seeking to control Central America for the purposes of Bolshevism.

The most sinister implication to be found in the message is that the President is seeking a cause of action against Mexico and that he would welcome it. His message confirms the charge which I made, that he has made up his mind, if opportunity is given him, to have war with Mexico.

What the President did say, what there was an open admission of, was that we have intervened in Nicaragua. Excuses and extenuations for such intervention were in order. The real purpose of the President's message was to make such excuses—to justify himself if he could. The fact that his excuses were so poor and covered up with so much extraneous matter, with so much unnecessary verbiage, would indicate to my mind that he has no great faith in his position or in the validity of his excuses.

The President starts out by claiming that we are in on the lawful side. He undertakes by a labored, and I may say an unsuccessful effort to demonstrate that there is a color of legality and constitutionalism in the presidency of Diaz. He bases his whole case upon the fact that Sacasa was "not there" when the vacancy in the presidency occurred. The implication is that all you have to do to make such a succession lawful is to go after the legitimate official with bayonets and run him out of the country, and then he is "not there," and there is a vacancy, and you can put in anybody you like. That is the strength of the President's claim to legality and that is all there is to it. He makes a purely technical argument, one which is wholly lacking in moral force.

Shorn of its irrelevant verbiage, his argument in behalf of the Diaz government is that Sacasa had been run out of the country, had been forced to leave in order to save his life, and that in his absence the Chamorro faction created the vacancy, and because Sacasa had been run out and was not there it was legitimate to put in anybody they wanted to. What they did was to put in Diaz, who was one of their own faction, one of the Chamorro faction—Diaz, who had been a party to the Chamorro revolution; Diaz, who was in spirit just as guilty as Chamorro; and

he is the President of Nicaragua that the United States proposes to support at this time.

According to the President, the United States is in duty bound to support every lawful government that may be created in Central and South America. That I suppose is what he would consider to be an extension of the Monroe doctrine.

Oh, poor old Monroe doctrine! I wonder if the time has not come when men may justly say, paraphrasing Madame Roland, "Oh, Monroe doctrine, how many crimes have been committed in thy name?" [Applause on Democratic side.] Created in the interest of our country as a bulwark of liberty upon the Western Hemisphere, having for its purpose securing to the weak, young western nations independence and self-government, we find it converted in this degenerate time into an engine of imperialism. Its noblest office is to collect the interest due American bondholders.

Under the Monroe doctrine we have degenerated into a bill collector that comes up on the front steps with his muddy feet and says, "Pay, pay, pay"—and that is the great United States; that is America with its Monroe doctrine!

And we collect not only the debts of American bondholders, but we assume the collection of all the debts due to foreign creditors as well. We are the collector for the Western Hemisphere—no commissions charged above the board.

Mr. Speaker, the right to intervene for the protection of American property and lives has not the remotest kinship to the Monroe doctrine. That a responsible head of our State Department should try to defend such action as being taken under the Monroe doctrine is almost unbelievable. The right to intervene for the protection of our citizens never had its origin in the Monroe doctrine. It was invented, so far as modern times are concerned, by Great Britain, that arch imperialist, the inventor of all modern imperialistic devices. Great Britain claims the right to protect the lives and property of British subjects only in the absence of all government. We, following on their heels, are applying it and extending it and amplifying it until we claim the right, not merely to protect American lives and property, but to provide neutral zones and to establish governments even where the people of the country which they are to govern are opposed to them.

If we concede the right to protect the lives and property of our citizens as valid, the issue is very simple. First, the issue is one of fact as to whether American lives and property in general and in substance are endangered. The President submits to us no facts which would indicate that the decision of that issue of fact should be in the affirmative.

Again I refer to Senator BORAH. I have more respect for Senator BORAH than almost anybody I know. I have faith not only in his integrity but in his courage. Thank God we have him at the other end of the Capitol as head of the Committee on Foreign Relations. He says that American property and lives were not endangered, and until somebody submits to me some concrete facts I am going to believe what he says. Assuming that they were endangered, what follows? Then we have the question of international law, comity, and good faith as to whether we had the right to go in for that protection. Answering that question in the affirma-

tive, what next follows on that? Clearly we have no right to go any further than is reasonably necessary for the protection of American lives and property. Having entered for that purpose, we have no right to go any further than to accomplish that purpose. And when we have protected American lives and property then we should stop.

But we have not stopped. We have intervened in Nicaragua and we have intervened in the interest of the Diaz government.

I get that out of the President's message. He tells you not merely the facts of intervention, but, either intentionally or unintentionally, he told us the real reason for our intervention. He called attention to the financial obligations of the Nicaraguan Government, of which a large share are owned by American bondholders, and he said in substance that he conceived it to be the duty of the United States to secure the establishment of the Diaz government, because that government can be relied upon to pay the interest due these American bondholders.

There you have the real key to the situation. It is not for the protection of the lives of the American citizens or their property that we have sent our marines and our fleet into Nicaragua. It is for the purpose of putting down the revolution, and, mark my words, if the President through his powers and agents does not succeed in putting it down by giving his moral support to Diaz and by furnishing him arms and establishing neutral zones, and this and that and the other process, then these American boys who have gone down there will be called upon to fight the revolutionists and to destroy them.

That is what is in front of us. The President is seeking—nay, more, he has already accomplished—American intervention in Nicaragua for the purpose of establishing the particular government that happens to be satisfactory to him and to those behind him. Nicaragua is supposed to be an independent nation. In point of fact an American protectorate has been established over it. It has lost its independence. It is now for practical purposes merely an American possession.

I want you all to know that there is no partisanship in what I am saying. [Applause on the Republican side.] I am glad to receive that applause, so rarely do gentlemen on that side applaud anything that is not partisan.

I want to be perfectly frank. We have had a protectorate over Nicaragua for 15 years or thereabouts. I do not defend it. I criticize it; and whatever I may say in criticism in all its implications goes to any and all connected with my own party or any other party. I love my country's honor, putting everything else aside. [Applause.]

The seriousness of the situation lies in the fact that here we have boldly notified the world of this as an American policy, and we are bound in good faith to extend it to every nation in the Western Hemisphere. What we are doing in Nicaragua to-day we are bound in good faith to do in every other Central and South American country to-morrow—unless we are afraid—unless they are too strong. In short, if anyone of the American Republics owes debts which they are unable to pay, either to our own citizens or to foreigners—it becomes our duty to enter into that country and organize it according to our heart's

desire, and institute a government there, and see to it that that government pays those debts.

Great Britain in her most arrogant days never dreamed of an imperialism to that extent; imperial Rome never asserted over other powers any comparable authority. Here for the first time in the history of the world a great government has assumed an authority and jurisdiction to dictate to other independent governments about trifling matters such as the payment of commercial obligations. That usurpation is committed under a distorted and twisted interpretation of the Monroe doctrine.

The Monroe doctrine in its original sincerity was conceived as an answer to the despotic aims of the Holy Alliance. It declared that we would view as unfriendly any attempt on the part of European powers to extend their systems to the Western Hemisphere. That is all there was in it. Any insinuation that we are committed thereby to this course of imperialism is a slander on those who enunciated the Monroe doctrine and upon the brave people who throughout the generations have cherished it with their blood. [Applause.]

The President tried to connect up Mexico with the Nicaraguan trouble. Now note what he said. He is a careful witness. You must consider what he says and the way he looks when he says it. He said, "We have indisputable proof that the revolutionaries have received large supplies of ammunition. Some of these munitions bear evidence of having formerly belonged to the Mexican Government. It is known that Mexican officials knew of the fitting out of ships in their ports to carry the munitions over, and at least in one case a Mexican naval reserve officer was a commander of one of the ships." To wit, to reduce it to its minimum, a Mexican customs officer knew that these arms were about to be exported, and a civilian who happened to hold a commission as a reserve officer, just as we have 200,000 such officers in this country, was commander of the ship. Therefore, upon these indisputable and incontrovertible facts, so ample and full in their proportions, we convict the Mexican Government of deliberate and intentional unfriendliness. There, now you have it! "Chops and tomato sauce, and don't forget the warming pan."

Mexico has as much right to back the white horse Sacasa as we have to back the black horse Diaz. It is entirely legitimate that the Mexican Government should sympathize with Sacasa; it is certainly legitimate that Mexico should allow the exportation of arms to Nicaragua, and, if she is so disposed to do, to sell her own arms to the Nicaraguans. We have done it. We have sold our arms. I remember well when I was on the Committee on Foreign Affairs the Secretary of War appeared before us and stated that we had sold to the Kolchak crowd in Russia \$4,000,000 worth of arms, and had taken the note of one Ughee, who was a hanger-on here of the old czarist government of Russia, for those arms, and had delivered them to the Kolchak forces. And yet he swore before High Heaven that we were absolutely neutral in the struggle between the Soviets and the reactionaries.

Oh, the traffic in arms is bad. I admit it. But our position throughout the generations has been that it was legitimate. The position of our Government is that we will not surrender the right to traffic in arms.

We sold arms to the Mexican Government. We have done this and we have insisted that it was proper, and there is nothing from any standpoint from which we can logically assume anything improper about it.

I ask all candid men why Mexico was lugged into the Nicaraguan picture? Why this studied effort by hook or crook to connect Mexico with Nicaragua and the situation there? What was the purpose of it? It was unnecessary to the purpose of explaining the presence of our forces in Nicaragua. I come back to my original charge. The President wants war with Mexico. He is driving for it. Is the Congress going to sit here and allow our President to force us into war? Are we going to allow him in the case of Mexico, as in the case of Nicaragua, to confront us with an accomplished situation?

I am not going to do it. All I can do is to protest. If I could do anything else, I would do it. All that it seems I can do is to say these few words.

I appeal against the imperialistic aggressions of the President to the Congress of the Nation and to the citizens back of it. I appeal not merely to men in public office, but to plain citizens throughout the length and breadth of this land. I appeal to a people who at heart are unselfish and who love peace. I appeal to a brave people who would not impose upon a weak sister nation. [Applause.] I appeal to a people who are unwilling that American honor shall be tarnished and the lives of American boys be sacrificed in order that bondholders may collect their interest and that oil companies may pay dividends. [Applause, Democrats rising.]

In Reply to Mr. Eaton

Friday, January 14, 1927

MR. HUDDLESTON. Mr. Speaker, in answer to the discourse of the gentleman from New Jersey [Mr. EATON], I call attention to an editorial in the Baltimore Sun of this morning entitled "MR. KELLOGG'S STATEMENT":

It is difficult to write moderately of the formal statements made before the Senate Committee on Foreign Relations by Secretary of State Kellogg. For we doubt seriously that ever before in the history of this Nation has the head of the State Department appeared in public in a state of such utterly indecent intellectual exposure.

I am sorry I did not get to the gentleman from New Jersey [Mr. EATON] before he spoke. I esteem him highly and I would like to have warned him against taking his position by the side of the Secretary of State and apparently in a similarly utterly nude condition. [Laughter.]

On yesterday the House Committee on Foreign Affairs met and considered the resolutions relating to Nicaraguan policy. A short hearing was held in which the only witness who appeared was persistently diverted from the main issue. The hearing was quite incomplete; it lasted only a few minutes. A recess was taken in order to decide whether the committee should hold further hearings. A motion was made to invite the Secretary of State to come before the committee in order that he might explain the situation and give such facts, if any, as might be in his possession. The committee promptly refused

to invite the Secretary. The committee adjourned without day. The gentleman from New Jersey [Mr. Eaton] as a member of the committee was one of the most enthusiastic in supporting the course which the committee took. He was most deeply interested against the committee proceeding with further hearings. The gentleman from New Jersey did not know anything about Mexico or the Nicaraguan situation, and he persistently refused to be enlightened. [Laughter.] The gentleman from New Jersey insisted upon closing his ears to information; he knew no facts and he did not want to know any facts. He comes here this morning and shows not only that his ears and eyes are closed, but that his mind is hermetically sealed. [Laughter.]

Mr. MOORE of Virginia. While the gentleman from New Jersey did, to my great regret, take the attitude of being deaf and dumb, it should be said that three Republican Members of the committee supported the motion to have the Secretary of State come forward and answer inquiries and state the facts.

Mr. HUDDLESTON. The gentleman from Virginia makes a grave mistake in characterizing the condition of the gentleman from New Jersey as deaf and dumb. [Laughter.] He is only deaf, not dumb. [Laughter.] That habit is characteristic of many gentlemen in his situation. The less they know the less dumb they are.

The gentleman comes here asserting the unspeakable absurdities voiced by Mr. Kellogg. His argument is, "Boo, the Bolsheviks!" That sort of stuff went out of fashion in this House six years ago. I am sorry the gentleman from New Jersey has not been here so that he might have understood the change in style in piffle. Nobody of intelligence hollows "Boo, the Bolsheviks!" these days.

But the naked gentleman from New Jersey takes his stand with the naked Secretary of State, a pair of noble brothers. [Laughter.]

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. Sorry I did not ask for more time. [Laughter.]

**QUACK REMEDIES
FOR AGRICULTURAL DISTRESS
THE HAUGEN BILL**

SPEECH
OF
HON. GEORGE HUDDLESTON
OF ALABAMA
IN THE
HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 9, 1927



**UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON**

1927

33818—3471



SPEECH
OF
HON. GEORGE HUDDLESTON

The House had under consideration H. R. 15474, the Haugen bill, entitled "A bill to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities."

Mr. HUDDLESTON. Mr. Speaker, I yield to no one in sympathy for the farmer. I understand his troubles. I understand the causes of his troubles. If I felt that this measure would help the farmer to the extent that its advocates represent, perhaps my attitude would be different; but it is the conviction that under measures of this kind the last condition of the farmer will be worse than the first, which forbids that I should support a bill which is indefensible from the standpoint of principles.

WHAT IS THE MATTER WITH THE FARMER?

To remedy the farmer's distress we must understand what the causes for that distress are. It is the sheerest quackery to undertake to remedy the farmer's bad condition without reference to the causes which have put him in that condition. To treat the disease we must first find the causes and remove the causes.

What is the matter with the farmer anyhow? The chief trouble with him is that for generations he has been discriminated against by law. He has been forced to buy what he needs in protected markets at an artificial price and to sell the products of his labor in competition with all the world. [Applause.] The result is that through the generations the farmer's pockets have been milked and milked by selfish interests of from somewhere between 5 to 15 per cent of his income. Of course he is prostrate. Of course agriculture is languishing to ruin as the result of such a system.

That is one trouble with the farmer. If Representatives of rural constituencies want to do something for the farmer, give him the same kind of a market to buy in that he has to sell in, where the law of supply and demand operates. Give him to buy in a free and open market.

May I say that in my opinion you men of New England who represent manufacturers who are enjoying the advantages of protective tariffs are utterly inconsistent when you demand for your constituents freedom from the laws of competition and yet vote to impose free-trade conditions upon those who are engaged in agriculture. [Applause.] In my judgment, it would be good political strategy on your part to give this—the Haugen bill—to the farmer, because when the farmer finds out that he is not going to get it or that it is impossible to put him on the level with the unjust plane upon which the manufacturers stand—and you can not keep it from him forever, because the farmer has got just as much sense as anybody else—when the light does get to him he will rise and sweep away those special privileges which you enjoy.

Of course, I understand your philosophy. It is that to the degree that any other group is elevated toward your own unjust level, the special advantage which you enjoy is taken away. If every class and group could be raised to the same level by special favors of legislation, all would stand as though no special favor had been granted to any. All would be exactly where they started. And so you fight favors for others and thereby preserve the value of your own unjust advantage. [Applause.]

A PIECE OF CLASS LEGISLATION

This measure is admittedly a piece of class legislation. Its champions admit that their purpose is to benefit only about 10 per cent of our population engaged in the production of wheat, corn, cotton, rice, tobacco, and swine. That benefit is to be given to those particular farmers by arbitrarily elevating the price of their product, by giving it a forced value, not a value fixed by the law of supply and demand, not a value fixed by economic laws. They purpose to elevate arbitrarily the price of that which he has to sell, and to do it at the expense of the other 90 per cent of the people of the United States.

That is all there is to this proposition. The purpose is not to help all the farmers but only those who produce these particular crops. Only about 24 per cent of our population is engaged in agricultural pursuits of all kinds. Of those so engaged the producers of these crops include only about one-third.

The effort to increase the prices of these crops, if it is successful, will increase the cost of living to every man, woman, and child in my district. If it is successful, it will increase the cost of living to every man, woman, and child in the whole United States. It will increase the cost of living not only to the 90 per cent who can receive no benefit from this measure but also to the 10 per cent who get the benefit of this measure. Farmers consume substantially one-third of their own products. This proposal is to increase the cost of that one-third as well as of the other two-thirds; to arbitrarily increase the farm value of the one-third of the products of the farm that is consumed by the farmer himself.

As the excuse for this iniquitous favoritism, for this confessed piece of class legislation, for this violation of every sound principle of economics, the pitiful plea is made: "Others have got it; let us get it for the farmers; others have special advantages given them by law. We must lift the farmer up to the level of those other classes that are receiving special advantages." No man has attempted to defend this measure from the standpoint of principle; it can not be so defended.

The only excuse and palliation for this measure is that it is an attempt to lift the farmer to the level of other groups who are the beneficiaries of class legislation and unjust Government favors.

I tell you, from knowledge gained between the plow handles and in every-day contact with rural life, that farmers as a class are not to be dealt with in the same way as many other classes. You can jack up a piece of timber because it has solidarity. You can jack up a stone, because it sticks together. But you can not jack up dirt and sand, because they have no adhesiveness. You can elevate the manufacturers of this country

because they stick together in a sort of plunderbund which has as its cardinal principle that each will permit the other to stick his hand in his pocket without outcry if only he is permitted to thrust his own hand into the pocket of the general public. You can raise the bankers because their interests are in the main identical. You can raise certain other groups because they are organized and have class solidarity. But farmers in the nature of things can not be closely organized. Their interests are so complex, so varying, and on many points in actual conflict. You can not jack them up by any such means as this proposal.

THE HAUGEN BILL IS UNWORKABLE

The fundamental method of this and all similar agricultural relief methods is to benefit the growers of wheat, corn, cotton, and so forth, by stabilizing the farm sale price on a basis which will make production profitable. These measures are intended to establish a stable price varying little from year to year, and it is intended that this price shall be high enough to yield a reasonable profit to the producer.

The plan is in its essence unworkable and will break down in the end. Passing by all other objections, I point out that no line of agricultural production is free from doubts and uncertainties. Indeed, every occupation that man ever followed is surrounded by hazards which can not be avoided. If profits from wheat growing, and so forth, are made certain, farmers will leave other products and go to raising wheat. The present production of cotton is, say, 16,000,000 bales, but with an assured price of even 20 cents per pound production will be more than doubled within 10 years. More will be produced per acre, the acreage will be increased, men will work harder, and so on. If this bill should stabilize the growing of wheat, corn, and cotton on a certainly profitable basis, it would in time draw practically every farmer to growing those products. In the end, with the tremendous increase in production, it would be found impossible to hold the price up. The result would be collapse and ruin of all farmers and of agriculture generally. Bad as the farmer's condition is now, his second situation would be worse than his first.

HOW TO HELP THE FARMER

If you want to do something for the farmer, let me tell you so-called "friends of the farmer" two ways by which you can do it: Dissolve your unholy alliance with the great selfish interests that are enjoying special favors. Do not delude the farmer longer by telling him that you can lift him to the level of those others who enjoy special privileges. It can not be done.

Dissolve that unholy alliance. Tell your constituents the truth. Tell the great intelligent rural population of the West and the South and other parts of this country the truth, that there is no way for a whole people to be benefited in any country or at any time except by a rigid adherence to that ancient Jeffersonian principle "Equal rights for all and special favors for none." [Applause.] Then take away these discriminatory laws. Strike them down. Tread them under foot. Let other classes and callings descend to the level with the farmer. Let every group stand or fall on its merits and on the social value

of what it has to give. Let all use their talents and exercise their activities in open, free, and fair competition with the world. [Applause.] Let those who have not strength enough in their own legs to stand on that sound basis quit their occupations and go into some calling that an honest man can afford to follow. [Applause.]

Let me say another thing—I address the majority, because they have the power and the responsibility is theirs. Stop packing the Federal Trade Commission with the servants of the great exploiting interests who are despoiling the people. Stop packing the Interstate Commerce Commission with men whose greatest distinction is that they are satisfactory to the railroads. Stop filling the Federal bench with judges who have learned what they know as lawyers while fighting the battles of great corporations. Stop filling public offices with the servile tools of powerful, selfish interests. Put none but those who love and serve the common good in positions of responsibility.

WHY COTTON IS LOW, YET SHIRTS ARE HIGH

Do you know that the spread between what the producer receives and what the consumer pays has been more than doubled within the last 10 years? That is one of the great troubles of the farmer. He is suffering more from the high prices that he is forced to pay for what he buys than from the low prices for what he sells. The price of cotton is low, but the cost of shirts is high. The price of wheat is low, but the price of bread soars upon the wing. It is because ruthless extortion is practiced, and our Government either lacks the ability or the courage and the honesty to enforce the laws so that we may have fair trade practices.

Remedy these wrongs and then if you would have the Government to intervene in the situation let steps be taken to facilitate bringing the producers and consumers of this country face to face, thus eliminating the middlemen and unjust and unnecessary profits.

I hold that middlemen, where they contribute no service of value to the operation they carry on, are merely parasites. The man who has something to sell which he has produced in the sweat of his face is entitled to look into the eyes of the man who wants to consume it for himself. The producer should have the right to deal directly with the consumer. This is not always possible, but the Government might well take action to facilitate such intercourse. Men engaged in distribution frequently give services of value, but purely parasitic classes which stand between the producer and the consumer have no moral right to existence. They ought to be wiped out.

The Government can well do something which would facilitate the bringing together of the men who grow the wheat and the men who eat the bread—the producers generally and the consumers at large. Could that be done in a comprehensive way the profits of the farmer could be doubled and the cost to the consumer would be cut probably one-third.

It has been demonstrated as to many of the products which the people consume, that the existing spread between the consumer and the producer is as three to one—that is to say, the consumer pays three times what the producer receives, and the

other two-thirds go to middlemen and profit takers, who may perform no useful function in connection with the transaction.

Sound governmental policy, good common sense, and obedience to economic laws would dictate that our Government should do something to cut out this tremendous spread. If it could only be done, the farmer's return would be doubled and the reduction in cost to the consumer would be at least one-third. Of course, a world of people would be put out of business and would have to go to doing something else. I agree with that—they ought to be doing something else.

TOO MANY RIDING ON OTHER MEN'S SHOULDERS

Too large a percentage of the people in this country are riding upon somebody else's shoulders. Too few are engaged in the production of the necessities of life. Too few are engaged in doing the things that must be done to make human existence possible in this world. Too many are following useless occupations; too many are merely burdens upon society. The strange thing about it all is that those who do useful labor, those who do the hard, dirty, and disagreeable tasks that are essential to human existence and to the preservation of society, always get the worst of it, while those who follow the least useful callings get the best of everything.

You can almost always tell to which of the classes a man belongs when you see him on the street or meet him on the highways. When you meet a man in a fine car and dressed in fine clothes you may know he does not belong to the producing class; that he is not a man who is necessary to the existence of society; that he may be merely a parasite riding on somebody's shoulders and of no social worth in all the world. But if you meet a man in overalls, whose hands are stained, who is rattling along in a rusty flivver, or perhaps, worse still—for it is worse—is walking, you can very safely say there is a man who is producing wheat or corn or beating hot iron or driving nails or doing something else which God Almighty intended man to do when He sent him into the world.

WEAVING A TANGLED WEB

Oh, go on with your systems of special legislation, your yielding to the demands of selfish groups, and your conferring of special favors. You Democrats who vote for this bill can never consistently vote against a protective tariff again. You will find this vote standing up in front of you and convicting you of insincerity. You can never hereafter stand on principle. Your future rule of action must be "How much is there in it for my district?"

You Republicans who vote for this bill can never again refuse to concede to any group of people whatever they may demand in the way of special favors. You have granted special favors to the manufacturers; you have done it for the railroads; you have done it for the banks. And now you are going to do it for a class of farmers, those who produce only about one-third in value of the total agricultural production.

Along will come the other two-thirds of the farmers. They produce poultry or dairy products—they are truckers, raisers of sheep and cattle, or grow many other useful products. Theirs constitutes two-thirds of the total agricultural production of the United States. They come and say, "We also are in dis-

dress; do something for us." You reply, "Oh, you have a domestic market; we can not do anything for you." They will say, "Yes, you can; you must give us a subsidy out of the Federal Treasury." And I want to tell you that in logic and good conscience you who vote for this measure can not honestly refuse to give what they ask.

Then when you have taken care of all the farmers what about the millions of unclassified people? What about the professional classes? What about millions who have no regular occupations? What about those in distress and in need in every walk of life who are not included among these classes you have favored? When they come, what will you say to them? You may say, "We can not help you with a Haugen bill; we can not help you by a protective tariff; we can not help you with this, that, or the other systems through which we have granted special favors, and so we can not help you at all." "Oh, yes," they can say; "you can; you can give us pensions; put us on the Federal pay roll; you owe us as much the duty to do something for us as you did anybody else."

That will be true, and you who vote for this grant of special favor and refuse to vote for old-age pensions and out-of-work doles or even for cold gifts to the needy will convict yourselves of simply doing this out of political fear and not out of conviction. [Applause.]

As for the farmer, I hold to the deep conviction that the only way to remedy his ills is by securing for him "a fair field and no favor." If he can get that, he will take care of himself; give him that and he will be content. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

**THE PRESIDENT'S UNCONSTITUTIONAL WAR
IN NICARAGUA**

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 4, 1928



**UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON**

1923

81583—8834



SPEECH
OF
HON. GEORGE HUDDLESTON

Mr. HUDDLESTON. Mr. Speaker, the significance of the situation in Nicaragua, as I see it, is that a stupid and inept administration has gotten us into a difficult situation and now we are having to fight our way out of it. We have been embarked upon a foolish and dangerous venture, and now we must make our way out of it the best we can if we can do so consistent with national honor and safety.

WE ARE AT WAR IN NICARAGUA

There is war in Nicaragua. It is not the war of the American people; it is the war of those whom it is our ill-fortune to have in charge of the American Government. It is a war which they entered upon without the consent of the real rulers of this country.

That it is war no one can in sincerity question. We read this morning that 1,000 American marines are being embarked for service in Nicaragua; that already there are 1,400 there, and that naval vessels are being rushed to Nicaraguan waters. It is stated that the work of garrisoning the ports will be taken over by the blue jackets so as to leave the total of 2,400 marines free for fighting. And all this after 12 months of the Coolidge brand of "pacification."

I clipped from a paper this morning a dispatch from San Salvador:

A memorial directed against the "hostilities" by American marines in Nicaragua was presented to Col. Charles A. Lindbergh to-day by a group of private citizens of Nicaragua who are living in San Salvador.

The memorial greeted Colonel Lindbergh as a flying ambassador and representative of the true spirit of the United States, as a hero of the air as well as a messenger of peace. It requested the colonel to use his good offices so "that the American marines may cease their hostilities in Nicaragua," as this would help to make "friendship prevail instead of distrust."

The memorial further referred to various declarations of President Coolidge concerning respect for right and freedom, and stated that the President's words were not evident in the Nicaraguan situation.

PEACE IN THE AIR, DEATH IN THE JUNGLE

Our ambassador of peace wings his way through the air and our emissaries of death struggle in the jungles of Nicaragua, fighting in a cause not an American cause. Of course, I do not blame the marines who are there nor the officers who are in command. They are but performing their work of soldiers, doing what they are commanded to do. I place the responsibility squarely where it belongs, upon the administration which sent them there. The administration is responsible for the death of every American marine who may fall, and for the

sacrifice of American honor and of principle which is involved in the fact that they are in Nicaragua. [Applause.]

The memorial presented to Lindbergh recites truly that he is representative of the true spirit of the United States as a messenger of peace. If it were left to the people they would recall the marines, instead of sending recruits to help them in the distasteful task which they have been sent to perform. Had the people been consulted, no marine would have been sent upon the soil of Nicaragua. It is the administration's war; it is not the people's war. The people have not been consulted. They want peace; they desire to respect the rights of our sister republic. They would rather serve Nicaragua than to oppress her.

The administration has its purposes to accomplish. I dare to say here that those purposes are not American and not consistent with the ideals and institutions of America. It is the administration's war. A year ago we were told that there were about 5,000 of our armed forces in Nicaragua. That number included, of course, blue jackets from the Navy—how many marines I do not know. A large number have been there ever since.

A BLOODY BUSINESS

I read this dispatch, clipped from a newspaper dated December 14 last:

UNITED STATES HAVING HARD JOB IN TRYING TO QUELL NICARAGUAN TROUBLE

WASHINGTON, December 4.—Pacification of Nicaragua is proving about the hardest job the United States marines have ever tackled. Despite the optimistic statements issued from time to time by State and Navy Department officials the northern half of the Central American Republic is still, after a seven-month campaign, seething with insurgency and general disorder.

To date the pacification has cost the lives of more than 800 Nicaraguans, according to figures compiled to-day from official reports, while several hundred others have been seriously wounded in clashes with the American interventionists and native guards. In the last month there have been at least 80 known deaths among the natives.

Based on announcements by the marine command in Managua and by officials here, minimum casualty figures show 714 Nicaraguans to have been slain, 152 killed or wounded, and 220 wounded in the period from May 15 to December 11. At the same time 7 marines and 6 native guardsmen have been killed and 2 marines wounded.

Recorded casualties among the Nicaraguans (who have been termed bandits by the State Department, are not complete. Upon several occasions after skirmishes with the insurgent natives the marine command has declared that the extent of the casualties among the "bandits" could not be determined. Nor do these figures include the number of Nicaraguans who, lacking medical attention, have died from their wounds.

Think of it; we have killed some 800 to 1,000 Nicaraguans and probably wounded 2,000 additional. We have killed and wounded these men who were not "bandits" but were fighting for their country and the right to govern themselves.

All these casualties and all this bloodshed occurred before the recent battle when a number of marines lost their lives and probably some hundreds more of Nicaraguans were killed and

wounded. Can anybody honestly deny that war is being carried on in Nicaragua?

AN UNCONSTITUTIONAL WAR

Technically our country is not at war. From a legal standpoint the United States has not entered a war. There is only one way by which we may legally enter into a war, and that is by a declaration of Congress. The Constitution gives to Congress the exclusive power of declaring war.

It is true that the President is Commander in Chief of our Army and Navy, but it was never within the minds of those who wrote the Constitution giving him these powers that he might command the Army and Navy as his fancy might dictate. It was intended that the President's function as commander of the Army and Navy should be under the direction and control of the Congress of the United States through its power to declare war. If the President can send our marines to wage war in Nicaragua the President can send our Navy to England and bombard London to-morrow.

It may be that Congress has not said to the President you shall not use our armed forces in the invasion of a country with which we are at peace. You shall submit such matters to Congress for its decision as the Constitution contemplates. Nevertheless the failure of Congress to exercise its power has in no sense diminished the right to do so. We have the power to remedy the situation that exists in Nicaragua by a resolution commanding the President not to pursue the course which he is following. [Applause.] A resolution which would restrain him from usurping the functions of a military dictator.

VIOLATES SPIRIT OF CONSTITUTION

The extreme seriousness of this situation lies in the fact that the President is deliberately violating the spirit of the Constitution by carrying on a war without the consent of Congress. I imagine that if you should ask those who compose the group about him, to whom he looks for support and advice, they would assert that they compose the cult of original "constitutional worshippers." My observation of such gentlemen is that they love the Constitution when it protects them in their special privileges and interests, but they defy its spirit when it stands between them and what they want to do. They love the Constitution when it serves them; they despise it when it protects the liberties of the people.

As one who has regard for the welfare and happiness of his fellow creatures from the standpoint of the Nicaraguans themselves, of course I deplore what has been done. I sympathize with them. They are under the heel of a foreign oppressor. It fills me with shame to admit this of my country. My comfort is that it is not the people who have done this wrong; it is an administration which misrepresents the people.

The Nicaraguans have no liberties, they have no self-government, they have none of the cherished things for which our fathers died. Naturally we feel for them, as we would feel for any people fighting for liberty. Anyone who really believes in Americanism and that governments derive their just powers from the consent of the governed must grieve for the Nicaraguans who are laying down their lives for these principles.

But, after all, Nicaragua is a small country, with only a sparse population, and perhaps sometime, in the ultimate end, when American imperialism has worked its will with them, they will be given some of the benefits of the material welfare that belongs to our civilization. When we have at last forced it upon them it may be there will be some compensation for their sufferings and for the loss of their liberties. What concerns me most, however, is not what Nicaragua is losing, not what the Nicaraguans are suffering, but what America is suffering and what America is losing.

AMERICA MUST PAY THE PRICE

Every man must know that America can not exist as an imperialism abroad and a democracy at home. It can not continue as "the land of the free and the home of the brave" with its foreign policy under the dominion of a military autocracy. We can not hold here at home that governments derive their just powers from the consent of the governed and yet in foreign countries ruthlessly deprive the people of their right of self-government. We can not preserve liberty here and practice autocracy abroad. We can not have the free ballot box at home with American marines dictating at the elections of a foreign country. [Applause on the Democratic side.] America can not exist democratic at home and autocratic abroad.

IS AMERICA TO BECOME AN IMPERIALISM?

Mr. Speaker, if we are to give up those principles which we have cherished and held dear, then the people of this country should be consulted about it. The real sovereigns, the real rulers of America, should have some chance to express themselves.

If it be true that the love of liberty is dead—liberty for ourselves and for all others—and that we are to embark upon a policy of imperialism abroad, which can only result in the counterpart of that policy here at home, the issue should be submitted to the American people for their decision. It is not right, it is not fair, for those whom we have placed in office on other issues to commit this country to such a policy.

I want to see my country great, but great in its love of liberty. I want to see my country powerful, but I want it powerful in just and righteous conduct toward our sister nations. I want to see our influence spread, but I do not want it to be spread by the force of arms. I would rather have it spread by the influence of love. I want others to adopt our culture because of its worthiness. I would rather that we should deserve to rule the world without doing so than that we should rule without deserving to do so.

Mr. Speaker, the worst thing about all of this is, that as we strike our sister Republic down, the blow comes back and at last we strike ourselves. The most serious consequence of all is the consequences which shall be worked upon the institutions of our country. Are we to have an imperialism in America? Are we to be converted into a nation which shall compete with the nations of the Old World in the exploitation of the weak, the helpless, and the poor? Have we ideals like those of ancient Rome by which we shall claim for ourselves the right of dominion and draw tribute from servile populations of the remote corners of the earth? Is that our ideal? Let me say

to you that if it is we will go as Rome went. The Romans could not hold to their own liberties, yet take away the liberties of others. And so they lost their liberties, and so we shall lose ours.

TO WAGE WAR WITHOUT THE CONSENT OF CONGRESS IS USURPATION

Mr. Speaker, the action of the President in making war without the consent of Congress and without the consent of the people of the United States is a violation of the spirit of the Constitution. It is an usurpation which if persisted in will result in ruin to us in the end.

There is little doubt that we would have had war with Mexico a year ago had not public opinion in the United States responded, had it not beat upon the door of the White House and challenged the President and dared him to provoke the war which he openly threatened. He listened to the voice of the people then. God grant that there may come from the people now some such expression of aversion to his policy as will drive the President from the course which he is pursuing in Nicaragua.

This war that is being carried on in Nicaragua is the administration's war, but the treasure that the President is expending in it is the people's money, and the blood that he is causing to be spilled is the blood of American boys. And the consequences which may ensue will fall upon the American people. [Applause.]

Mr. WAINWRIGHT. I would like to ask whether the fact that we are in Nicaragua to-day is not with the consent and sanction and practically at the request of the only government there is in Nicaragua and practically at the joint request of the recently warring factions. Now may I—

Mr. HUDDLESTON. May I answer. The gentleman is putting another question—

Mr. WAINWRIGHT. For the purpose of assisting the Nicaragua Government to restore peaceful and orderly conditions in Nicaragua?

Mr. HUDDLESTON. Not if the President is to be believed. He stated in his message to Congress a year ago as the reason why we were in Nicaragua that it was for the protection of American lives and property and to protect the concession for the canal which we may some day decide to construct.

We are there to protect American lives and property, so the President said. His statement was challenged then and the charge was made that there were no Americans whose lives were being jeopardized in Nicaragua and that no American property was in danger. The matter finally settled itself down to the general belief that the President was merely helping certain American bankers to collect debts for loans which they had made.

Mr. MOORE of Virginia. If the gentleman will permit, in reference to what the gentleman from New York said, everybody will recall the government he speaks of in Nicaragua, the Diaz government, was reputed to have been given assurance in advance of Diaz being installed, that our Government was going to support him. Diaz is the man asking help in Nicaragua, and we know what sort of a man he is.

Mr. HUDDLESTON. And the President sent his representative to Nicaragua not as a representative of the people, for probably he could not have been elected as a constable by any constituency in the United States. [Applause.] He is said to have made some kind of a trade with Moncada based upon the assurance that Moncada should be the next President of Nicaragua. This is the common report.

So Moncada quit fighting. Benedict Arnold also quit fighting, but the Revolutionaries fought on and won American independence. So far as we know, those who are fighting against us in Nicaragua to-day are fired with just as sincere a love for their country as our ancestors were for ours. It is unspeakably hypocritical and dishonest to call such men "bandits." They are fighting for liberty. Whether we think them right or wrong, we as brave men must respect their sacrifices and the spirit in which they give their lives. [Applause.]

81583—3834



THE MONROE DOCTRINE AND THE NICARAGUAN WAR

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 5, 1928



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON
1928

84495—3894

SPEECH
OF
HON. GEORGE HUDDLESTON

Mr. HUDDLESTON. Mr. Speaker, following on the success of the American Revolution, the ferment of republicanism penetrated throughout the world. Kings shook on their thrones. Emperors and potentates trembled for their systems. France was the first to follow the example of the United States by overthrowing the Bourbons under Louis XVI. The Napoleonic wars were in a large measure the reflex of the shock which ensued, and were in their essential aspects the result of the efforts of the monarchs of Europe to defend their governmental systems.

Kings reigning by virtue of "divine right" felt that it was necessary that they do something to stamp out the republican spirit. They trembled for the traditions of monarchical government. There was conflict through the world between the spirit of republicanism and the monarchical system. Following the example of the United States, the Spanish-American colonies one by one had asserted their independence of Spain and she was being driven from the New World. At that juncture, in 1815, the "Holy Alliance" between the rulers of Austria, Prussia, and Russia came into being. Its essential purpose was to defend the monarchical system against the spirit of republicanism. It was the answer of "divine right" to the ferment of republicanism.

THE PURPOSE OF THE HOLY ALLIANCE

The Holy Alliance as a part of its program planned to restore the power of Spain in the New World and to again subject those colonies which had achieved their independence to the dominion of the King of Spain. It was also designed that new provinces and realms of power within the New World should be marked off to European sovereigns. In that sense the Holy Alliance was a threat to American independence.

As an answer to that threat and in order to clear the situation, Mr. Monroe enunciated the principle which has come to be known as the "Monroe doctrine." It was, in substance, that the United States would regard any attempt upon the part of the European governments to extend the monarchical system into the Western Hemisphere as an act of unfriendliness to the American Government. That is all the Monroe doctrine was at its beginning. It was merely an answer to the Holy Alliance. It confined itself to the principle that an attempt to extend monarchical systems of government in the Western Hemisphere was inconsistent with American interests; by its implication it extended merely to matters of sovereignty so far as American countries were concerned. It held, in short, that no European monarchy would be permitted to bring additional territory on the Western Hemisphere under its dominion nor to

create upon the Western Hemisphere any new monarchical system.

It was not intended to interfere with existing situations. It did not challenge the dominion which Great Britain had over the islands of the West Indies as well as portions of South America and of Canada, nor the control which various European countries had over territory in the Western Hemisphere. It was confined solely to new situations and new attempts to extend monarchical systems and control over territory on this side.

MESSAGE OF PRESIDENT MONROE

The Monroe doctrine had its expression in President Monroe's message to Congress submitted on December 2, 1823. Russia was asserting claims upon Alaska and other territory in that part of the continent. Referring to these claims, President Monroe said:

In the discussions to which this interest has given rise, and in the arrangements by which they may terminate, the occasion has been judged proper for asserting as a principle in which the rights and interests of the United States are involved that the American Continents, by the free and independent condition which they have assumed and maintained, are henceforth not to be considered as subjects for future colonization by any European powers.

In referring to conditions among the new Latin American Republics of South America, he said:

We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and have maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States.

In these paragraphs was expressed all of the Monroe doctrine. One of its chief purposes was the protection of the new Latin American Republics. Of course, neither Monroe nor anyone of his time ever dreamed that it would ever be argued that the United States was assuming the duty of pacification, preserving public order, and policing our neighbor nations, nor of collecting foreign and American debts from them.

The Monroe doctrine recognized the full sovereignty of each of the Latin-American countries, and the full political equality of each of them with the United States. It claimed no superiority nor overlordship for ourselves, nor any greater right in any of the other countries than they had in our own. It claimed for the United States no right whatever to meddle with the internal affairs of our sister Republics. To the contrary, it was an assertion of their right to govern themselves, free from interference from European monarchies, as well as from ourselves.

It ought to be unnecessary to argue to intelligent and candid men that we have no more right nor authority under the Mon-

roe doctrine to violate the territory or the sovereignty of a Latin-American Republic than we would have in the case of a European or Asiatic country. It was intended as a bulwark for the protection of our sister Republics, and not as an engine for their oppression.

WHAT MONROE DOCTRINE IS

No respectable authority has ever claimed that the Monroe doctrine conferred upon the United States any *rights* whatsoever. It was merely a declaration of our national policy, and has, of course, never attained the dignity of a rule of international law. Under it we owe no duty to take any action inconsistent with our national interests. We do not need to insist upon the doctrine longer than it suits our policy to do so, but many abandon it at any time without any breach of faith with other nations. Under it we owe no duty to protect the nationals or property or interests of European nations which may be jeopardized by a South American revolution. For all such we may remit the complainants to the assertion of their rights under the recognized principles of international law. European governments have the same rights under international law, with reference to South American Republics, as to other countries of the world. It gives the United States no protectorate over Central and South American Republics, nor duty to defend them from attack, and none to answer for their shortcomings.

The Latin-American Republics may go to war with each other or with nations of Europe or elsewhere without giving us cause to intervene. They are as completely sovereign and independent as we ourselves. The doctrine merely announces for us that we will not permit nations of the Eastern Hemisphere to encroach upon the sovereignty or territory of other American nations.

The meaning of the Monroe doctrine, as recently set forth by Secretary Hughes, is as follows:

Properly understood, it is opposed (1) to any un-American action encroaching upon the political independence of American states under any guise, and (2) to the acquisition in any manner of the control of additional territory in this hemisphere by any un-American power.

Considering the intent of the message, and that it has been, and must be, interpreted in the light of changing circumstances and conditions, I do not believe that the correctness of Mr. Hughes's definition can be disputed.

ATTEMPTS TO EXPAND AND DISTORT DOCTRINE

Many attempts have been made to expand the Monroe doctrine, to contort it, and to twist it. It is important, in order to understand the persistency of these attempts, that we should recognize just what is back of them. It is necessary to recognize the fact that there are those here in our own country and among our own citizens who do not accept in their full implications the doctrines of republicanism and of democratic self-government. America has her fascists as well as Italy.

It is a common belief that all Americans were unanimous in their desire for independence. This is a grave error. It is a fact that a very influential element of our people were loyal to the British Crown and had no desire to change our political system, and had no wish to break the ties which bound them

to the Old World. They did not believe in republicanism nor in self-government.

Many of these Loyalists and Tories were driven out as the Revolution went on. I wish that all might have gone and that they might have remained away. Unfortunately many of them came back when the war was ended. The strangest development in all American political history is that within 20 years after the close of the Revolution the same Tory elements which has opposed independence were found contending for political control against those who had won independence. That struggle between Tory elements, those who believed in caste and privilege, those who held that a small superior class should be developed which should ride at ease upon the shoulders of the masses—the struggle between the Tories, their political descendants the Federalists, and the modern school of the same political faith, on the one hand, and those who believed in real democracy, on the other, has come down to us to this day. That struggle between Toryism and Americanism is as acute to-day as it has ever been in the past. Much of the time the Tory elements have been in control of our Government. May I make what I mean perfectly clear by saying that in my judgment they are in control now. [Applause.]

WHAT THE TORIES ARE TRYING TO DO

The effort has been made to twist and contort the Monroe doctrine into an instrument which shall serve the will of the Tories, who do not believe in democracy—to serve their will in their efforts to mark off the Western Hemisphere as territory belonging exclusively to us, so that it shall be the field for our exclusive exploitation, and in which we shall expand as we may find it convenient and safe to do so. They dream dreams of world power; they think of imperial Rome and would make America into a new Rome. They think of South America not as a collection of independent nations, entitled under our own principles to enjoy the right of self-government; to the contrary, they think of South America as an appendage of the United States. It is their conscious design, so far as they have a consciousness, little by little and time by time as they may be able to digest them, to swallow up and absorb the South American countries, so that our flag may float from pole to pole.

That is their degraded idea of America's future. They would absorb these weak countries without their consent; they would take them through our military power and through the might of the strong arm.

In the meantime they choose to regard Central and South America as a field in which our business men and financiers shall enjoy special and exclusive rights and privileges. There they shall have exclusive advantages of trade; they shall have concessions for opening mines, digging harbors, constructing railroads, and making loans; it shall be the happy hunting ground of the American manufacturer and trader, and of the American financier and international banker, and the toiling millions of Central and South America shall exist not upon terms of equality with us but as servile populations, to be exploited for our economic benefit.

THE SHADOW OF IMPERIALISM

It is necessary to get this picture in our minds in order to understand the efforts which the Tories have made to expand and extend and contort and twist the Monroe doctrine until finally it shall be converted into such an instrument that it will serve them in the purposes which they have in their hearts. Theirs are the principles of imperialism. Theirs is the doctrine which the nations of the Old World have applied in their own peculiar spheres of influence. Under its influence the British flag floats over India and over many other portions of the world, under it France holds her territory in Africa, Asia Minor, and China, and so on and on and on.

Because of the clash of interests between the great imperialistic and exploiting nations the world had the recent terrible war. With all the folly of man apparently we have learned nothing from its horrors and are now preparing the way for another war based upon cold commercial considerations, and a desire to get control of more territory that we may exploit it and make money out of it and grow rich and powerful out of it.

It is to combat this awful thought, to combat these dreadful schemes that I feel such a great interest in the developments which are taking place to-day in Nicaragua.

I hear gentlemen speak of the "right" of one nation to land troops upon the soil of another nation for the protection of the lives and property of its nationals. There is no such right. International law knows of no such thing. It is not a "right," it is merely a practice. It is a practice indulged in only by those who are strong enough to be able to do so with safety to themselves; only by those who are powerful enough to be able to violate the territory of another nation without fear of adequate rebuff and reprisal. It is the practice followed by the great and powerful nations in dealing with those who are weak and poor and subject to them.

Within the history of the world, in either ancient or modern times, no nation of first rank has ever submitted to the assertion of any such right within its territory upon the part of any other nation whatsoever. When I hear men talk of such "rights" I recognize that they are lacking either in information or in candor.

There is no such "right." It is a "practice," I admit. Whether a justifiable practice each particular case must stand on its own merits and it is not possible to condemn it by wholesale. Suffice it to say, that having accomplished the protection of its nationals and of their property, no one has ever been so rash and regardless of logic and consistency as to say that a nation may go further, and after having protected the lives and property of its nationals, go on and remain indefinitely in the country whose sovereignty has been infringed upon.

PRESIDENT CARRYING ON AN UNCONSTITUTIONAL WAR

We entered Nicaragua upon the pretended purpose of protecting the lives and property of American citizens. Having accomplished this purpose, there was no excuse, either under international law or international practice, honesty, or good faith, for remaining there. There is no pretense we are there

now protecting American lives and property. Nobody argues this.

What are we doing in Nicaragua? We are carrying out an agreement made by Mr. Stimson with leaders of the two Nicaraguan factions. And who was Mr. Stimson? He was the extrajudicial, or, to put it in plain words, the illegal representative of the President of the United States—his personal representative there. He made a trade with the various elements in Nicaragua. Whether honest or otherwise, it is immaterial for the purposes of this speech. He made this trade, and now American boys are fighting and laying down their lives—to defend America? To defend American rights under international law? To defend American property and protect American lives? No; to carry out the trade that Mr. Stimson made.

And since when, I ask, has Stimson, the President, or anybody else had the right without the consent of the Congress of the United States to enter into any obligation which binds us to keep our soldiers upon foreign soil? [Applause.]

The action of our administration in keeping marines in Nicaragua and in carrying on this wild adventure is illegal, even as a matter of technicality; in effect and reality it is violative of the very fundamentals of Americanism; it is unconstitutional. Men have been called from office for smaller offenses. [Applause.]

84495—3894



THE MODERN JOAB—SHAKES HANDS IN HAVANA AND STABS IN NICARAGUA

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1928

MR. HUDDLESTON. Mr. Chairman, the President made a great speech in Havana—great in its expression of friendship and good will toward our sister republics, great in its idealism, great in its praise of the principles of self-government and of human liberty. And then, even as he spoke, the newsboys cried on the streets, “Forty Nicaraguans killed by American marines.”

The President spoke of friendship and respect for weaker nations and at the same time a bloody war which he has been carrying on for 12 long months, without the consent of the people of the United States, was being waged in Nicaragua. He spoke of chivalry and of kindness and of brotherly love. What a pity that his action does not square with his words. The words were brave, the action is not brave. The words were fine and noble, the action is of tyranny and of oppression.

The newspapers say that he closed his great speech with a scriptural quotation:

The letter killeth, while the spirit giveth life.

I like to have our Presidents use scriptural texts when it shows their faith in religion. I like for them to show familiarity with the Bible. But I would rather that Presidents and other public men in quoting Holy Writ should stick to something having a relation to their performances, and which finds its expression in deeds, not in empty words. As having a real appositeness and significance I would have commended a text to the President, which he will find in II Samuel, chapter 20, verse 9:

And Joab said to Amasa, art thou in health, my brother? And Joab took Amasa by the beard with the right hand to kiss him.

But Amasa took no heed to the sword that was in Joab's hand; so he smote him therewith in the fifth rib, and shed out his bowels to the ground, and struck him not again; and he died.

I would have our rulers not to quote pious texts when they are resolved upon oppressive courses of conduct. I would at least have them to be frank and honest enough to state their real purposes to the world. It is just such exhibitions as that of the President at Havana that are gaining for us the name of being the arch hypocrites of the age.

THE WORLD CALLS US "HYPOCRITE"

To-day the newspapers of the whole world are sneering at the President's speech. Even the British press sneers at his hypocrisy, and, oh, when perfidious Albion may have warrant to sneer at the hypocrisy of another nation surely there is none left so poor to do us "reverence."

I find an editorial in one of my home papers, the Birmingham Age-Herald, which expresses the thought which seems to have come to disinterested observers everywhere. The editorial discusses Mr. Coolidge's Havana speech, and then says:

It is perhaps too much to have anticipated from such a source dynamic counsel or forthright leadership, but Mr. Coolidge might at least have sought to give the impression that he was not talking in a vacuum.

And the editorial writer goes on with what is a real literary gem:

How little the United States has resorted to force, how much we have respected the sovereignty of small nations, how deeply we are attached to the principle of self-government of others, how free we are of delusions and military grandeur, how slow to anger and how merciful we have been, how completely we have clung to the spirit of the law, and how utterly we have sought to promote consideration and good will in our international policy, let Nicaragua prove to the world.

And, I might add, "and let Haiti, let Santo Domingo, let Colombia, and let the Philippines," and so on and on, "prove to the world." It is wicked enough to oppress a smaller nation. The wickedness of doing so is infinitely magnified by the pretense that we are doing no wrong.

WHY WE ARE IN NICARAGUA

What are we doing in Nicaragua, anyway? Why are we there? The people do not know. They ask me, they ask everybody here, why we are in Nicaragua. Unfortunately from no official source does Congress know. Congress has been told little more about the real reasons for being in Nicaragua than have the people of the country.

Our Committee on Foreign Affairs has refused to investigate the subject. They have refused to ask the administration for the true facts. They prefer to servilely submit to the purposes of the State Department.

The President has addressed the subject in his two last messages to Congress, but to the candid mind the conclusion is irresistible that little of the true story has been told. In his message to Congress of January 10, 1927, the President assumed to tell us why he had sent the marines to Nicaragua. I have the message here and have searched carefully through it. I will read the extracts by which in his involved style he related what he desired Congress and the country to believe were his reasons for sending them.

After at some length reciting a situation alleged to have existed in Nicaragua he told us that the Secretary of State had called upon the Secretary of the Navy in these words:

I have the honor to suggest that war vessels of the special service squadron proceed as soon as possible to the Nicaraguan ports of Corinto and Bluefield for the protection of American and foreign lives and property in case that threatened emergencies materialize.

And that naval vessels and marines had been sent accordingly. He also stated that—

During the last two months the Government of the United States has received repeated requests from various American citizens, both directly and through our consuls and legation, for the protection of their lives and property. The Government of the United States has also received requests from the British chargé at Managua and from the Italian ambassador at Washington for the protection of their respective nationals.

He next proceeded to discuss the bonded debt of the Nicaraguan Government, and stated that some millions of dollars of the bonds were held by "American citizens." Who the American bondholders were he did not state, but it is generally believed that they are a certain group of New York bankers.

He also said:

There is no question that if the revolution continues American investments and business interests in Nicaragua will be very seriously affected, if not destroyed. The currency, which is now at par, will be inflated. American as well as foreign bondholders will undoubtedly look to the United States for the protection of their interests.

And later, summing up:

Manifestly the relation of this Government to the Nicaraguan situation, and its policy in the existing emergency, are determined by the facts which I have described. The proprietary rights of the United States in the Nicaraguan canal route, with the necessary implications growing out of it affecting the Panama Canal, together with the obligations flowing from the investments of all classes of our citizens in Nicaragua, place us in a position of peculiar responsibility.

And, finally, the President closed his message with—

The United States can not, therefore, fail to view with deep concern any serious threat to stability and constitutional government in Nicaragua tending toward anarchy and jeopardizing American interests, especially if such state of affairs is contributed to or brought about by outside influences or by any foreign power. It has always been and remains the policy of the United States in such circumstances to take the steps that may be necessary for the preservation and protection of the lives, the property, and the interests of its citizens and of this Government itself. In this respect I propose to follow the path of my predecessors.

Consequently, I have deemed it my duty to use the powers committed to me to insure the adequate protection of all American interests in Nicaragua, whether they be endangered by internal strife or by outside interference in the affairs of that Republic.

Analyzing the President's statement we find that he excuses the sending of our forces into Nicaragua on four grounds: First, the protection of the lives and property of American citizens; second, the protection of British and Italian nationals; third, for the protection of the canal concession; and fourth, to pacify Nicaragua in the interest of American and foreign bondholders.

Now, as to the first of these reasons let it be said that not a single instance of danger to the life of an American citizen has been cited. Not an American civilian has been killed or injured. Not an instance of damage to any physical property

owned by Americans has been related. It has been charged recently that there was no danger to American lives or physical property. The administration has been challenged in vain to disclose any such instance. No one now claims that any American civilian has actually been injured nor his property destroyed. We are impelled, therefore, to believe that "life and property," as used by the President, is a euphemism for bonds and evidences of debt.

Also, the facts are quite persuasive that the British and Italian requests for protection were merely perfunctory courtesies, and that none of their nationals were actually in danger.

As to the canal concession, let me say that neither of the Nicaraguan factions disputed it. Neither sought to take it away. We were not in physical possession of any actual ground for the construction of the canal. Its final location has not been considered, and no particular territory set apart. The concession needed no protection. The matter was not involved in the revolution. The President's reference to it was obviously made merely to strengthen a weak case.

INTERVENTION IN THE INTEREST OF BONDHOLDERS

Of all the reasons stated by the President, only one was real, the fourth. Without doubt, the interests of the bondholders were seriously jeopardized. A country torn by revolution is in no shape to meet its interest payments. The pacification of Nicaragua was clearly to the interest of its creditors. There we have the key to the situation. It may be clearly deduced from the President's message, and from such facts as have leaked out through the press, that the real purpose of our marines in Nicaragua is to pacify the country, restore order, and make the bondholders secure in their debts. Our intervention in Nicaragua, and the protectorate which we have established, was to enable American bondholders, and foreign bondholders, if any there be, to receive their interest payments.

Subsequent events have tended to confirm the belief that our Nicaraguan mission is merely that of a bill collector. As soon as Congress adjourned, the international bankers began to reap the fruits of the President's sowing. I read from an Associated Press dispatch of a few weeks ago:

Nicaragua obtained a loan of \$1,000,000 in New York last March, for the purpose of retiring certain outstanding obligations. It was equally divided between J. & W. Seligman and the Guaranty Trust Co., and was in the form of a banker's credit. The loan was for one year, at 6 per cent, and the State Department's information is that repayment will be completed by June 1.

The dispatch further states:

The State Department survey of economic and financial conditions in Nicaragua, on which a future policy may be formulated, is being conducted by Dr. William W. Cumberland. Such a survey was proposed by President Diaz with the approval of both Nicaraguan political parties as the starting point for adoption in Nicaragua of a comprehensive financial program. This program would cover not only emergency needs due to the civil war, but also the execution of much-needed public works, such as the railway from the capital to the Atlantic coast.

Negotiation of another loan to Nicaragua by American bankers probably will not await the outcome of a Nicaraguan economic survey now being made for the State Department, although that survey probably will furnish the basis for a department policy toward later borrowings.

Although department officials do not know the exact status of conversations understood to be already in progress in New York, and will make no official comment regarding them, it is known here that Nicaragua may regard it as necessary to arrange without much delay for an emergency advance of \$1,000,000 or \$1,500,000 to help organization of the national guard and restoration of order.

That dispatch is quite illuminating. Never has been given the name of a single American citizen whose life was in danger in Nicaragua. Repeated efforts have been made to ascertain who they were, and where they were, and what the danger was. The challenge has been issued that there has been none such. The administration, which is possessed of all the facts, though challenged to name them, has not permitted to escape the censorship the statement of a single life or a single dollar's worth of property that has been jeopardized by the Nicaragua revolution.

All that has come out is that conditions down there were unstable and American bondholders were in danger of losing some of their investments unless we stabilized and pacified the country. And the bankers have continued their loans and now they plan new loans all under the guardian eye of our imperialistic Department of State.

In the President's message to Congress of December 6, 1927, we have his latest pronouncement on the Nicaraguan situation. Referring to conditions in China he said:

We have been compelled to send naval and marine forces to China to protect the lives and property of our citizens.

And in the next paragraph he said as to Nicaragua:

We are confronted by similar conditions on a small scale in Nicaragua. Our marine and naval forces protected our citizens and their property and prevented a heavy sacrifice of life and the destruction of that country by a reversion to a state of revolution. Henry L. Stimson, former Secretary of War, was sent there to cooperate with our diplomatic and military officers in effecting a settlement between the contending parties. This was done on the assurance that we would cooperate in restoring a state of peace where our rights would be protected by giving our assistance in the conduct of the next presidential election, which occurs in a few months. With this assurance the population returned to their peace-time pursuits, with the exception of some small roving bands of outlaws.

STIMSON IN NICARAGUA

Which is to say that the President sent Mr. Stimson to Nicaragua. Stimson called in Moncada, and possibly others active in the revolution on the Liberal side, and read the riot act to them; told them that they must surrender their arms and equipment and disband, promising them in return that our forces should supervise an election to be held next August, at which the majority should be permitted to choose a President for Nicaragua.

It is rumored that Moncada was also promised that he should be elected as the next president, but it would seem unnecessary to have bribed him with such a promise, as the threat was that if the Liberals did not submit our troops would take the field against them. So that, of course, Moncada had to submit. There was no alternative for him and his associates.

Yes; there was an alternative—the alternative of desperation, the alternative which Sandino chose—to fight on and to die fighting, and in the meantime to be called an “outlaw.”

The President claims that by the Stimson strong-arm methods he “prevented a heavy sacrifice of life.” American lives? No; Nicaraguan lives, so that they might be able to pay taxes to satisfy the claims of American bondholders. Nicaraguan lives! Yet our marines have been forced to take 1,000 Nicaraguan lives and to wound 2,000 more in pacifying the country and carrying out the Stimson agreement.

The President admits in his last message that the marines are not now required in Nicaragua for the protection of the lives and property of American citizens. He admits that their sole function now is to pacify the country, to keep it quiet and supervise the election. That is why our marines are there. That is what they are doing. The country must be pacified so that the bonds will be paid and so that American bankers may continue to make loans to Nicaragua and be able to collect them with interest.

LETTER FROM FATHER OF SERGEANT HEMPHILL

The reaction of the people of the United States to the situation is fairly expressed in the letter which the father of Sergeant Hemphill, who lost his life in the recent fighting, wrote to the President a few days ago, in which he said:

MR. CALVIN COOLIDGE,
Washington, D. C.

DEAR MR. PRESIDENT: According to dispatches of to-day (January 3) from Managua, my son, Sergt. John F. Hemphill, was killed in action against General Sandino's loyal troops.

For the death of my son I hold no malice or ill will toward General Sandino or any of his men, for I think (and I believe 90 per cent of our people agree with me) that they are to-day fighting for their liberty as our forefathers fought for our liberty in 1776, and that we as a Nation have no legal or moral right to be murdering those liberty-loving people in a war of aggression. What we are doing is nothing less than murder for the sole purpose of keeping in power a puppet President and acting as a collector for Wall Street, which is certainly against the spirit and letter of our Constitution.

My son was 29 years old, served three years of his third enlistment, survived honorable service through the World War against Germany, only to be officially murdered in a disgraceful war against this little nation.

My father served through the Civil War, my two grandfathers died in action in the same war, and I am proud of their records, so this is not from the pen of a red radical but from one who loves justice and fair play.

I have four sons, and if necessity arose I would be willing to sacrifice not only all four sons but my own life as well in a war of defense,

but I am not willing to shed one drop of blood in a war of aggression, such as this one is.

You have lost a son and know the sorrow, and we as a Nation mourned with you in your hour of grief. Suppose that son had fallen, as my son has, a victim to the greed of Wall Street, would you feel that the financial gain was worth the cost?

JOHN S. HEMPHILL.

Mr. BLACK of Texas. I have read this agreement entered into between the factions in Nicaragua as negotiated by Mr. Stimson. It provides that the United States shall supervise an election in Nicaragua. It seems to me to be a treaty. I am at a loss to know how the Chief Executive thinks he has a right to put into effect a treaty without its approval by the Senate.

Mr. HUDDLESTON. Section 2 of Article II of the Constitution of the United States forbids any agreement binding upon the United States to be made without the consent of the Senate. It requires all treaties and other international agreements to be submitted to the Senate for its advice and consent. Under that clause of the Constitution any officer of the United States who assumes to bind the United States by any agreement with a foreign country without the consent of Congress is guilty of usurpation and of a violation of both the spirit and the letter of the Constitution. [Applause.]

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. WAINWRIGHT. Is it not a fact that President Wilson sent a gentleman from Minnesota, by the name of John Lind, to Mexico under somewhat similar circumstances without any confirmation by the Senate?

Mr. HUDDLESTON. What does it matter? No doubt there are precedents. Is it possible that usurpation is any less hateful because there have been other usurpations? Does the gentleman take the position that violations of the Constitution may be legalized as a matter of habit and that a usurpation upon the part of one President excuses the usurpation of power upon the part of another? [Applause.]

Mr. BLACK of Texas. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. BLACK of Texas. I just wanted to call attention to the fact that Mr. Lind did not execute an agreement with a sovereign nation to supervise an election in that country.

Mr. HUDDLESTON. Of course, the cases are not parallel. But what does it matter whether they are or not? I have no patience with those partisans who seek to excuse the misconduct of their party associates by charging that a member of the other party has also done wrong. I condemn usurpation whether it be by the President of my party or any other party. I did not fail to condemn the President of my party for exceeding his constitutional powers. I was one of the first to condemn him, and I am sure I will not withhold my condemnation of the immeasurably smaller and weaker man who now happens to occupy the presidential chair. [Laughter and applause.]

The Constitution, as expressed in section 2 of Article II, also requires that the approval of the Senate must be secured by the President to validate all appointments of those who represent us in foreign countries. The President did not have the

consent of the Senate to Mr. Stimson's appointment. His nomination was never submitted to the Senate, was never considered, and was never confirmed. By appointing Stimson as his representative to bind the people of the United States the President again violated the spirit if not the letter of the Constitution.

Also, the Constitution as found in section 8 of Article I clothes Congress with the exclusive function of declaring war. In carrying on the war in Nicaragua without the consent of Congress the President is violating the spirit of the Constitution. [Applause.]

85248—3909

For Equality Between Officers and Enlisted Men Under
Veterans' Relief Laws

[The Officers Retirement Bill]

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 11, 1928

Mr. HUDDLESTON. Mr. Chairman, I commend the frankness of those of the advocates of this bill who have admitted that it is a pension measure. It is quite obvious that it is a pension measure. Any attempt to represent it to be anything else must result in failure. The issue which we have to decide is whether as a pension measure we can defend it.

I ask, can you defend as a pension measure a piece of legislation which gives a brigadier general \$375 a month with a 30 per cent disability, when you give to an enlisted man only \$30 a month for the same disability?

I am not one of them, but there are those who believe that there should be some difference in behalf of the officers. They feel that the magic wand of military authority having touched the shoulders of a commissioned man, he at once becomes entitled to be held of superior straits during his service in the Army as well as thereafter as long as he may live. I ask you whether there shall exist between those who have been so knighted and the man who stood in the ranks, who did the sweating and the digging, and who had no opportunity for distinction and none to make him famous—I ask can you justify such a difference as that? [Applause.]

There is gross discrimination in this bill, discrimination not merely between the commissioned officer and the enlisted man, but among commissioned officers themselves, in their various ranks.

Nothing illustrates the injustice done better than the list of the beneficiaries. I turn to my own State and find an instance which shocks me beyond measure. I find on page 7 of the list attached to the minority report the name Frank Murray Dixon, of my home city. He is a fine young man who lost his leg and has other disabilities, under all of which he is now rated 100 per cent permanently disabled. He was recently department commander of the Legion for the State of Alabama, and notwithstanding his physical handicaps is trying to practice law. You meet him on the streets of my city, and a fine look of courage is in his face. He served as a second lieutenant, and now receives \$100 a month. According to the figures made by the minority of the committee, if this bill should pass he would receive \$93.75 per month. If he elects to avail himself of the provisions of this bill, Frank M. Dixon will be cut from \$100 a month to \$93 a month. Some one has said that the amount would be \$106. It does not make much difference as far as my point is concerned which figures are correct.

I turn over to the next page and I find the name of my friend and colleague, Congressman LAMAR JEFFERS, a fine soldier, an

excellent gentleman. I am delighted that he was disabled no worse than he is. He has a rating of 30 per cent permanent disability. He is now receiving \$30 a month, but because he was a major while in the service, if this bill should become a law, he will receive \$187.50 a month.

I ask in all fairness and justice, can you go home to your constituents and say that you voted to give a totally disabled boy \$93.75 a month, when he was already getting \$100 a month, and voted at the same time to give a Member of Congress, who is drawing a salary of \$10,000 a year, and who has only 30 per cent disability, \$187.50 a month for as long as he may live?

This list is full of such glaring inconsistencies. It is full of instances in which men with large disability receive less than those with small disability. It is a pension system which you are passing, and how can you defend yourselves for not basing the amount of pension upon the extent of disability? Is it sensible, is it honest, is it good public policy to give a man who is totally disabled the same as you would give him if he was only 30 per cent disabled? That is what this bill does. As a pension measure it is illogical, and is indefensible.

It can not be too often pointed out that Congress has already passed upon the issues involved in this bill and fixed upon a definite policy, and that what is sought now is a complete subversion of the policy, which we previously adopted. In 1917, when the war was yet young, Congress dealt with this subject and decided upon the principles which should govern in benefits for disabled soldiers.

The committee then brought before the House a bill which based its benefits to the disabled upon percentages of the pay which the soldiers were receiving. It provided that an officer if disabled should receive a certain percentage of his pay and that an enlisted man should receive the same percentage of his pay. That bill was framed upon a purely compensatory basis, such as the States have in force applicable to men at work at a sawmill or a coal mine. In that form the measure was brought before the House. After full debate, in which I had the honor to participate, that discriminatory principle in the bill was put under foot and the principle of absolute democracy and equality among its beneficiaries was adopted. All were put on an equality and each man, whether high or low in rank, was to receive the same amount for the same disability.

A part of what I said in the debate on that bill, as is printed in the CONGRESSIONAL RECORD of September 11, 1917, beginning on page 12731, is:

"In this bill we have a different principle recognized. Men who are injured are compensated according to the pay which at the time of the injury they are drawing from the Government as soldiers. Some of them get several hundred dollars per month; others get only a trifling sum. It has remained for the authors of this bill to present the principle to the American Congress that an American soldier serving his country in an emergency such as now exists should be compensated exactly upon the same plane as a workman; that he should be paid for his injuries just exactly as he would be if he were a laborer in a sawmill or a brakeman on a railroad.

"Oh, I have heard a lot of talk recently about democracy. I would like to see our Army made safe for democracy. How can you say

that you have a democratic Army; how can you say that conscription is democratic, that it is just, when you force some men into the ranks at the low pay of \$30 a month when others have rushed off to training camps, having had college educations and social positions good enough to stand the tests, and now are to be further favored as proposed by this bill? How can you afford to discriminate between these equally deserving men, whether officers or men, when they are soldiers in the field; to discriminate between their families at home; to discriminate between them when they come home maimed and bleeding from service in their country's cause; and when they fall upon the battle field to discriminate between their widows and orphans?

"I refer now particularly to the discrimination in the compensation for injury. What is the foundation for such discrimination? Those men were equal at home. Many of the officers of the National Guard have no large earning capacity. There are plenty of officers in the National Guard and plenty of them in the National Army—officers who were college boys, put into the Army through training camps—plenty of them who are making more money to-day in the Army than they ever made before in their lives. On the other hand, there are thousands of splendid men who have volunteered, and thousands of others just as splendid who have been conscripted, who have left good jobs, where some of them were earning as much money as some of the officers now get, and who are peers to any man who carries a sword at his side. It is a rank discrimination.

"We are not dealing with professional soldiers. Your bill is all right if it was designed only for a professional army—the Regular Army, with its professional privates and its professional officers. It is all right for them, because their rank in the Army has a relation to their social position and earning capacity. But it is all wrong when it is applied to the great citizen army, a great army composed of men who are equal, a great army that is taken by force or by volunteering from all the people. There should be no discrimination among these men.

"Mr. Chairman, as I was saying, we have taken thousands of young men of college education and good social position into the training camps. They were subject to conscription like the common man's son. They did not want to be private soldiers. I do not blame them. If I were one of them, I would try to be an officer because I should not want to do the sweating and the digging. But many of their brothers or other men just as good as they are have got to go and fight in the ranks, many of them have got to go as private soldiers, and the only pay they get is \$30 a month.

"But we are not content merely to give the officer the best of it in regard to pay. When he is in the field we let him carry a sword, and that is his only weight, while the poor private has to carry a gun and other baggage weighing 30 or 40 pounds. We are not satisfied to let the officer stay in the tent in the shade, while the humble enlisted man digs in the ditches, stands guard, and does other hateful tasks, we are not content to give the officer the best of it all along the line, we are not content to give him a chance to make something out of himself, to have his name mentioned in the dispatches, and come home as a hero, while the man that is doing the fighting in the trenches is not mentioned at all. Nothing is thought of the humble private; there is no chance of promotion, no distinction nor honorable mention for him. All this is inevitable in military life. Yet we propose to further discriminate be-

tween the enlisted man and the officer, to discriminate between them when they come home with equally honorable scars, between their mothers who gave birth to them, who nourished them, and between their widows and orphans, when officer and man, heroes alike, lie dead upon the battle field." [Applause.]

I had my speech printed in pamphlet and sent a copy to every voter in my district.

It was in September, 1917, that action was taken. Under that law millions of young Americans went into the service. Under that action the officers performed their duties. Every man in the whole Army knew that this principle of democracy had been adopted, and necessarily he relied upon it. Every officer who served knew that he would be entitled only to the same compensation that the commonest private in his command would receive, in the event he became disabled.

If there was a trade at all, that was the trade. Talk of promises is ridiculous. There were no promises. There was a definitely established policy of law, and upon that policy so adopted officers and men enlisted and went out to fight for their country.

My heart goes out to any man who serves his country. I have had an extraordinary sympathy with the disabled and all other ex-soldiers, and I have voted for every measure that has been proposed in this House for their benefit. I voted for the increase in pay of those in the service and for all relief measures proposed for those who are disabled. I have always raised my voice on that side.

Let me tell you, moreover, by way of a little bit of "bragging," that I am the man who invented the bonus. On December 7, 1918, on the very first day of the session of Congress after the armistice was signed I introduced the first soldiers' bonus bill that was ever offered in Congress. [Applause.] And on January 9, 1919, before the American Legion had even been organized and before anybody else thought of such a thing, I made a speech in behalf of a bonus for soldiers.

I stand now, as I have always stood, willing to do anything reasonable in behalf of the soldier, so long as it is put upon the basis of equality. But I tell you now that never will I consent to give those who enjoyed the best of everything while they were in the Army, as against those who had the worst of everything while there—never will I vote to give them a superior position in civil life. To me they all look alike. There are no more colonels, no more captains, no more privates; they are just all patriotic men who should stand on a basis of equality. [Applause.]

The idea back of all pensions and other soldiers' benefits is that we give these gratuities in order to insure that the country will not lack for defenders in the future. Let me tell you that the best way to be sure of defenders in the future is to keep America worthy of defense. So long as we hold fast to the principles of democracy there need be no fear that the great masses will fail when you call upon them for service. But when we make distinctions, when we prefer class above class, when we come to countenance privilege, when we discriminate between citizens of equal worthiness—then bring on your conscription laws. We will have need of them because men will not serve willingly. [Applause.]

"CAUSE AND CURE FOR WAR"

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 12, 1928

The House had under consideration H. R. 13249, a bill to authorize alterations and repairs to naval vessels.

Mr. HUDDLESTON. Mr. Chairman, I am unable to share the view of the gentleman from Arkansas [Mr. Wingo] that it was either the belief upon the part of Germany that we would not fight nor yet our "naval unpreparedness" that called us into the World War. The former I think may be dismissed without discussion.

So far as our alleged naval unpreparedness was involved, Germany had already been excluded from the surface of the sea. All of her surface vessels were in hiding in her ports and did not dare to venture out. Great Britain, without our help, was in complete control, and Germany's only activity was reduced to furtive submarine expeditions. Had we been able to match equal naval strength with that of Great Britain it would have had little, if any, additional menace for Germany. It would not have influenced Germany to the slightest extent in the submarinings which caused America to declare war.

WHY AMERICA WENT TO WAR

The gentleman should look for the cause of our becoming involved in the war to something much more direct and obvious than our alleged lack of preparedness on the sea. We had allowed Great Britain to change the rules of war to suit her convenience. She had declared innocent merchandise, intended for civilian populations, to be contraband of war. She had arbitrarily marked out areas upon the sea and declared a "paper blockade" upon them. She had ordained that our ships must not travel upon what hitherto had been the highways of the world. She had captured our merchant ships upon the high seas and taken them into her ports for search. In this and many other instances we had, with merely a formal protest, allowed Great Britain to change international law to suit her convenience. We had permitted her to deny our traditional freedom of the seas. In addition, our manufacturers were furnishing to Great Britain and her allies vast quantities of war material and supplies. We had permitted our bankers to finance both Great Britain and France for war purposes.

Germany's attitude was that as Great Britain had been allowed to change the laws of war and of the high seas to suit her

convenience she—Germany—should also be allowed to make changes which suited her. Germany said that as Great Britain had been allowed to delimit areas on the high seas and forbid nations to sail on them in carrying on trade, she—Germany—should also be permitted to set off certain sea areas in which our vessels should not be permitted to go. We refused to recognize any such right upon the part of Germany. We went into the areas forbidden by Germany, and there she sank our vessels, such as the *Essex*, and thereupon America declared war.

This was what brought us into the war. Back of it, of course, was our sympathy with the British cause. Our sentiments were on that side, and our dominant classes had the will to make war on Germany. Many had been shouting for war for months before the actual affront was given.

We could not insist upon our right to sail the seas as the highways of the world and to go wherever we chose, as against Germany, and yet acquiesce in the assumption of Great Britain to limit that right to suit her convenience. Our position was inconsistent, and upon it we stumbled and so entered into the war.

It was not the military weakness or unpreparedness of the nations which went into it that caused the World War. On land Germany was incomparably the strongest nation of the world and yet she "was dragged" into the war. Great Britain was incomparably the strongest nation on the sea and yet she "was dragged" into the war. It was not the weakness of either that caused them to go into the war. Influences such as that do not cause war in these times.

THE FUNDAMENTAL CAUSE OF ALL WAR

The real cause of all war, its fundamental cause, is "the will to make war," the disposition to go to war, the reliance upon force instead of being willing to rely upon justice. Given "the will to make war," and nations will always find a cause for war and a means of waging war. After all, the issue of peace or war is always one of national psychology. The way for us to have peace is really to desire peace and not to assume a pharisaical attitude that we are the only righteous nation and that all the others are governed by selfish motives. We have ourselves to fear more than any other people in the world so far as our danger of war is concerned. [Applause.]

Given the will for war there will always be war, and let me say to the gentleman from Arkansas that the very best way in the world to promote the will for war is to be ready and able to make war. The man who goes down the street with a pistol in his pocket will take very few affronts; he will be far more willing to engage in encounters than if he went weak and unarmed. He may believe that he is looking for peace but in reality he is hunting for a quarrel.

If a man wants to have peace, let him prepare his own heart for peace. [Applause.] If he wants strife, let him be prepared for strife and he will find occasion for it; he will find enemies, he will find excuses, and he will find the means.

"PREPAREDNESS" IS PREPAREDNESS FOR WAR

When we have created a great navy and army we have not prepared for peace, we have prepared for war; we are not marching toward peace, we are marching toward battle. The

"preparedness" of which men prate is not preparedness for peace; it is preparedness for war. Do not forget that it is upon ourselves that great armaments will have their greatest effect.

With the power to make efficient war, to meet any and all nations in arms, there grows up in the hearts of a people a willingness to resort to arms and a disposition to rely upon force. There is no influence in the lives of men that will do so much to cause them to rely on force as the consciousness that a resort to force will find them triumphant.

There you have the cause of the World War, you have the reason why both Germany and Great Britain entered that war. Neither was "dragged" into it—both went voluntarily for their selfish, national purposes. Either could have prevented the war had she sincerely desired to do so. Both went into the war with shouting and acclaim because they felt the consciousness of power created by the possession of great military and naval strength.

Great Britain had incomparably the greatest navy the sun had ever shown upon. She knew it; she relied upon it; she was willing to accept the gage of battle.

Germany felt the consciousness of her might upon land. She knew the efficiency of the German Army; she knew what she could do upon the battle-field. Feeling that consciousness, the German Government and people came to rely upon that power, came to rely upon force instead of the justice of their cause. They rejoiced to put their strength to the test.

And are we different from the people of Germany or the people of Great Britain? Is there any inherent and substantial difference between the people of the United States and the people of the civilized nations of Europe?

Such differences as there are are wholly superficial. They are our blood brothers. They have the same hopes and dreams and are moved by the same impulses as we. Their ideals and standards are as high as ours. Do not let us be narrow, pharisaical, and self-righteous. Any assumption that we are inherently superior is based on ignorance and chauvinism; it is provincial and unworthy.

We have within our national life the same influences that led Great Britain and Germany into the World War. We should profit from their awful mistake. We should avoid the pitfall of reliance upon arms and the instrumentalities of wholesale murder instead of justice. Let us not think that the history of other nations has been different from what ours will be. The way to get peace is to love peace; to love righteousness; to be willing to deal justly by all nations, both great and small. We must restrain selfish impulses and avoid the things that bring the spirit of conflict throughout the world.

THE MYTH OF THE "ROBBER NATION"

We need not fear that there is a "robber nation" which will assail us because we are weak. That is merely the oft-repeated propaganda of those who want big armies and navies. It is the patter of those who trust in might instead of justice, those who lack faith in the honor of other men and faith in their own courage and fortitude. Let us trust others, their motives and impulses, and let us trust ourselves to do that which it is right to do. [Applause.]

THE VALUE OF TREATIES

The so-called "Kellogg" treaty among the nations for the outlawing of war is of immense value. Its chiefest value lies in the appeal which it makes to the imagination of mankind, in its appeal to the love of peace inherent in all men, in its appeal to the enlightened opinion of the thoughtful people of all the world. But let us not delude ourselves. Treaties alone do not secure peace. Without the will for peace back of a treaty, it becomes a mere "scrap of paper." Nations with the disposition to violate treaties will do so. Nations have always done so, even our own when we had not the will to keep the contract.

A mere treaty, no matter how binding its covenants nor how broad its compact, will not alone keep the peace. It must be buttressed by the earnest and sincere desire for peace, the will for peace. Wars are caused by the will for war. Peace is insured by the will for peace.

And so I say that the real cause of all war is the will for war. With it a nation will always find cause for war and means to wage war, and will inevitably submit its issues to the decision of arms.

And the way to have peace is to have the will for peace, to really want peace, and be unwilling to accept war as a substitute. No lasting peace was ever gained by war, or was ever founded upon might. No lasting peace was ever secured through preparedness—the ability to fight. Armies and navies are no insurance of peace. Rather are they incentives toward war. But, without treaties and without military power, in this age and time, that nation which wants peace and will not entertain the will for war—that nation which places its reliance, not upon might, but upon justice and the principles of humanity and brotherhood, need have no fear. [Applause.]

25716—5020

Political Strategy and the Cruiser Bill

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1929

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 11526, "An act to authorize the construction of certain naval vessels, and for other purposes," with Senate amendments, and agree to the Senate amendments.

The SPEAKER. Is there objection?

Mr. HUDDLESTON. I object.

Mr. BRITTEN. Mr. Speaker, inasmuch as objection has been preferred, I move that the bill H. R. 11526 be taken from the Speaker's table and the Senate amendments agreed to.

* * * * *

Mr. HUDDLESTON. Mr. Speaker, a parliamentary inquiry. Is the Senate amendment subject to amendment?

The SPEAKER. The gentleman from Illinois is in control of the time, and if he yields for that purpose, an amendment could be offered, but if he moves the previous question, that would prevent any amendment, if the previous question should be adopted.

Mr. BRITTEN. Mr. Speaker, I have been directed by the Committee on Naval Affairs not to yield for an amendment of any kind on the bill. The desire of the committee and the apparent wish of the country is to have the bill become a law as quickly as possible. If amendments should be agreed to, it would naturally throw the bill into conference.

Mr. HUDDLESTON. Mr. Speaker, may I propound a further parliamentary inquiry? Will a motion to concur with an amendment have priority over the motion of the gentleman from Illinois to concur? May some one, without the consent of the gentleman from Illinois, be recognized to make such a motion?

The SPEAKER. That would not be in order after the previous question is ordered.

* * * * *

Mr. HUDDLESTON. Mr. Speaker, the amendment adopted by the Senate looks toward a negotiation of treaties "with the principal maritime nations regulating the conduct of belligerents and neutrals in war at sea, including the inviolability of private property thereon."

The debate on the bill in the Senate turned largely upon the fact that our traditional position as to "the freedom of the seas" has not been universally accepted, but to the contrary has been violated by some of the leading maritime powers. It seems to have been generally conceded by those who appear to be best informed upon the subject that if our rights upon the sea, as we have always insisted upon them, were recognized there would remain no reason for the naval expansion proposed by this bill.

Now this bill in the provisions of section 4 provides that:

In the event of an international agreement which the President is requested to encourage for the further limitation of naval armaments, to which the United States is signatory, the President is hereby authorized and empowered to suspend in whole or in part any of the naval construction authorized under this act.

The Senate amendment carries no similar provision. If our Government should agree with the maritime powers, upon treaties which recognize in full the rights of neutrals upon the sea, the President would have no power under this bill to suspend any part of the construction which it authorizes.

It would be entirely right and proper that we give the President the same power to suspend the work in the event that we agree upon such treaties as in the event that we agree upon arms limitations.

It seems to me to be entirely logical; indeed, that it would be foolish not to do it.

Mr. BRITTEN. Does not the gentleman think there is some difference between an agreement in respect to the rights of neutrals upon the sea in war time and an agreement to limit armament?

Mr. HUDDLESTON. No; for the very reason I have pointed out. The reason we find a great fleet necessary, according even to the advocates of a very large Navy, is because our rights upon the sea as neutrals have not heretofore been respected, and will be violated in the future. It is the purpose of the Navy to protect our ships upon the sea, our commerce as a neutral. But if we could be sure our neutral rights would not in future be violated, there would remain under the logic of the arguments offered in behalf of this bill good reason why we should not go ahead with the construction of the proposed cruisers.

If it is reasonable to empower the President to suspend construction because of an agreement on limitation of armament, there is more profound reason that we should give him the same power to suspend construction in the event the need for the ships was dispensed with by the entering into of such treaties protecting the rights of neutrals. We will not need these cruisers if the nations will agree to limit armaments, we will not need them if the nations agree to respect our rights as neutrals—the two stand upon a parity.

Now, one thing further. The only power that has been able up to the present time to successfully dispute our rights as neutrals, and the only power that it is said by authority that it is necessary for us to be in a position to protect ourselves against, is Great Britain.

I myself believe that if the people of Great Britain had some way of expressing their will they would cheerfully accord

to America the neutral rights that we desire. I believe that the best thought of Great Britain is that there should be no naval competition between the two countries. I believe that the best thought of Great Britain is that British interests would be better safeguarded by securing the rights of neutrals upon the sea than by allowing those rights to be violated as they have been in the past. I have no doubt that these influences are making themselves felt upon British naval authorities. I have no doubt that the time is near at hand when the Government of Great Britain will be willing to recognize to us those rights.

Now, then, Great Britain is, aside from ourselves, the chief naval power, and if she will only recognize our rights as neutrals on the sea what reason will remain for the 15 cruisers? No man can answer with any reason why we would need them. The argument simply is not there.

Why, then, should we not now be willing to consider the possibility of Great Britain agreeing upon neutral rights—why should we not cooperate to enable the people of Great Britain and America to dispose of this troublesome question between us and themselves? Why not give to the House now an opportunity to decide and pass upon this question? [Applause.]

If given the opportunity to do so, the amendment I would offer would be added on page 3 of the bill, following the Senate amendment. That amendment reads as follows:

First. That the Congress favors a treaty, or treaties, with all the principal maritime nations regulating the conduct of belligerents and neutrals in war at sea, including the inviolability of private property thereon.

Second. That such treaties be negotiated if practically possible prior to the meeting of the conference on the limitation of armaments in 1931.

I would add at the end of the amendment the following:

And should such a treaty be negotiated with Great Britain, the President is hereby authorized and empowered to suspend in whole or in part any part of the naval construction authorized by this act which may not then have been completed.

My amendment would confer upon the President the same powers, in the event a treaty on neutrality is negotiated, as he has in the event a treaty of limitation of armament is agreed upon.

The rules of parliamentary procedure give to the gentleman from Illinois [Mr. BRITEN] the power by moving the previous question to prevent me from offering the amendment. Surely, I submit, considerations of mere parliamentary strategy should not be allowed to override principles of tremendous importance to the cause of peace in the world.

* * * * *

Mr. Speaker, why such haste to pass the cruiser bill? People of foreign countries will think it strange and inopportune that immediately following upon ratification of the treaty outlawing war, entered into by all the leading nations, Congress should provide for this vast increase in the Navy. Just at this particular time, with not a cloud upon our sky, they will think it

strange that Congress is guilty of such glaring inconsistency. Indeed, our own people will think it strange—all will think it strange except those who are familiar with the strategy of American politicians.

THE STRATEGY OF PARTISAN POLITICIANS

It is the strategy of "facing both ways," so characteristic of those now in power. It appeared in the 1928 Republican national platform, which praised the President for his "wonderful achievement" in negotiating the multilateral treaty, yet in another paragraph demanded a program of naval increase to the full limit of our treaty rights. It was in the President's Armistice Day speech, which rattled the saber with one hand and gesticulated in boasting of the importance of the multilateral treaty with the other. It was in the President's annual message, when he called the treaty the "most positive adherence to peace that it is possible for sovereign nations to make," and with the next breath demanded the cruiser bill "to meet our needs for defense."

It is the accepted American strategy of facing both ways and "carrying something in the bag for everybody." For be it known that there are powerful interests in the United States that do not desire peace. It does not fit in with their plans. They have no disposition to be content with such fruits as may be reaped in peace. Their dreams are of world empire, the exploitation of weak subject peoples, and the drawing of tribute from the remote corners of the world. They visualize competition and struggle with other exploiting systems of imperialism.

Then there are the private shipbuilders. Business is dull with them. They want profits. They are anxious to get their hands into Uncle Sam's pockets.

SLOGAN OF THE PEACE "DEFEATISTS"

Then there are the Navy League, and the Security League, and other "patriotic" organizations. They scoff at hopes for peace and at treaties for security. "There have always been wars, there will always be wars," say these defeatists, "and we must be prepared for the Day."

And also, strong enough to ride over the President himself, there is the Navy ring, demanding always more ships and more men and more guns. For in that way lie opportunity, honors, and emoluments for themselves.

And these militaristic elements and those of kin to them and which are under their influence form a powerful political force, a force which politicians must needs soothe and mollify. True it is that peace conditions throughout the world are more satisfactory than at any time since the war. Our own horizon is unusually clear and undisturbed. So far as one can foresee, there has been no time within 50 years when we had less prospect of international trouble, yet with breathless haste and under the strictest time limits we order the greatest naval expansion in our history!

It is the sop to partisan politics. Let the people be not alarmed. No national danger moves us. We are merely making good to the militaristic elements for having ratified the treaty. We conceded something to the peace advocates and now we have bowed to the big navy folks—we have pleased both and now our balance is restored.

It is the accepted strategy—do something for all organized interests, particularly the selfish interests, for they are the most implacable. It has made of political platforms “mere bunches of straddles.” It has converted political parties into tools of selfish organizations. It has made of ours a government by organized selfishness. It has driven public men into shameless inconsistency and made a farce of the deliberations of Congress. And the people like it; that they showed at the last election.

WORK FOR THE PRIVATE SHIPBUILDERS

Mr. Speaker, why all this breathless haste to pass this bill? Oh, I understand—the shipbuilders want work. Business is dull with them. Some of them are closed down, and they want the work. So let us hurry this bill to them. It is for their benefit that we are passing it.

What a mockery, the section of this bill which provides for stoppage of construction if a limitation of armaments should be agreed upon! The influences behind the bill do not want limitation of armaments, nor do they desire any agreement protecting the rights of neutrals if that would have the effect to stop construction. If they thought there was any provision in this bill whereby so much as a single ship would not be constructed that provision would be eliminated forthwith. What they want is ships.

What the Shipbuilders' Association wants is more work, more business. They want ships. They do not want disarmament. Talk of disarmament and of the rights of neutrals is a mere screen. They want ships. They do not believe in treaties. They rely on force, and particularly do they rely upon the force of profits in their pockets, even if the money does come out of Uncle Sam.

CAUSE AND CURE FOR WAR

War not entered upon strictly in self-defense is a crime. Possession of the instruments of war not for strictly defensive purposes convicts a nation of the intent to commit crime and puts it on the moral plane of the private criminal.

Wars do not happen; they are caused. Wars are not accidental; they are the natural result of events. Wars are not the curse of Providence; they are the product of human folly and wickedness. As I have said upon a previous occasion, war is a matter of national psychology—the fundamental cause of all wars is the “will for war.”

And since the will for war is the cause of all wars, in order to avoid wars we must study the causes which produce the state of mind which finds its expression in resort to arms. It is, of course, impossible to mention all these causes, but it is not hard to name some of the chiefest. They are—

Competition in military strength—armies and navies.

Arrogance arising from the consciousness of great military power and national wealth.

Imperialism, whether taking the form of territorial expansion or other infringement on another nation's sovereignty.

Violation by belligerents of the rights of neutrals.

Unneutral participation in conflict through furnishing war supplies and loans.

Chauvinism as expressed in extreme national consciousness, egoism, and sense of superiority.

Secret alliances and agreements between nations.

Glorification of war and of the professional soldier, while minimizing the achievements of the pursuits of peace.

Competition in the exploitation of weak and unorganized peoples.

Protective tariffs, subventions, controls, and other governmental interference with the free flow of trade.

Pressure for unjust advantages in commerce.

Protection of nationals in foreign concessions and investments.

Unfair industrial and commercial competition.

Racial and religious antagonisms, traditional hatreds, jealousies, and ambitions.

Except as to the last, I have not attempted to state these causes of ill feeling between nations in the order of their importance. Racial and religious antagonisms, traditional hatreds, and so forth, have little to do with the decisions of governments. However, they have much influence upon the masses. And this the ruling classes well know, and as soon as they determine upon war they fire the passions of the people with appeals to hatred and prejudice.

Advocates of peace should bend their best thought to the discernment of the causes for ill feeling. Having found them, we must labor to remove them, to destroy the conditions which produce feelings of strife. In every threatening situation we should seek out and remove the cause. Of one thing we may always be sure—peace is never to be attained through war. Also, I believe we may rest assured that no secure and lasting peace was ever based upon force, fear, or injustice.

WHAT IS "NAVAL PARITY"?

The debate on the cruiser bill has been full of profound disquisitions upon naval "parity" between ourselves and Great Britain. Advocates of the bill have asserted that the 5-5-3 ratio, with ourselves and Great Britain first and equal in power and Japan third, should be maintained. The subject has been dealt with as though it was a sum in arithmetic—ships have been matched against ships, guns against guns, and men against men.

Gentlemen have juggled with figures as though parity in this sense was all important, apparently not recognizing that comparison in these respects is merely a single minor factor in parity. Apparently they visualize opposing navies, with all their vessels, meeting in combat at some place on the sea equally accessible and favorable to both sides and there engaging in a battle in which the balance was exactly equal in courage, equipment, efficiency, and morale. Everyone with a knowledge of history or of modern conditions knows that no such situation does, ever will, or ought to exist.

The chief factor in the relative strength of navies lies in the tasks which they are set to do. The navies of the United States and Great Britain might be equal mathematically yet wholly disproportionate in the work which confronted them. Great Britain, an island empire, with a population which would starve within a few weeks if control of the surrounding seas were lost, with the necessity of keeping open communications with her

colonies scattered through all the seven seas, and with a continent of hostile nations at her back door, has an entirely different naval problem to that of self-contained and self-supporting America. It is certain that real parity between the two navies would require many more ships and men upon the part of Great Britain.

Again, the nearness of a fleet to its base of operation is of vast importance. If, for illustration, we should attack Japan in Asiatic waters, a ratio of more than 10 to 1 in our favor instead of 5 to 3 as at present, would be required. If Japan should seek to attack us in our waters, she would need 20 ships for every American ship.

Parity also becomes a different matter when the expedition is defensive to what it would be in the case of an offensive. The former is largely a task for submarines and small vessels, the latter a task for large or capital ships.

"BIG NAVY" FOREIGN POLICIES

All of this brings me to ask: What are the schemes of those who demand that our ships shall equal in number and size those of Great Britain? Do they mean to set our Navy to doing the same kind of work as the navy of Great Britain? Obviously their plans are not merely defensive. No such fleets as those demanded can ever be required for purposes of true defense.

I have been greatly interested to note that in the course of the Senate debate no advocate of the cruiser bill has had the temerity to argue that the cruisers were necessary to prevent an invasion of our shores. None have argued that they are needed to repel a foreign invader. To the contrary, it has been assumed that they would not be particularly useful for such purpose. Cruisers are weapons of offense; their value lies in sweeping an enemy's commerce from the seas.

THE NEW "NATIONAL DEFENSE"

The debate has thrown new light upon the purposes of the big Navy advocates. "National defense," within their purview, no longer means merely resistance to invasion. It has been boldly extended to include keeping open the lanes of sea travel and the protection of our trading ships upon the seas. It appears to have been assumed that in the event of a war in which America was neutral we would send a cruiser along with each of our merchant ships to protect it from capture by the belligerents. How absurd is the idea when we reflect upon the vast number of vessels which would be required for the purpose?

When confronted with the absurdity of their position they change front and assert that what they want is a navy so big that powers at war will be afraid not to respect our rights. They propose to build a navy so terrible that all nations and possible combinations of powers will stand in awe of us. Such a point of view is nothing short of militaristic madness.

The big Navy advocates have extended "national defense" to include not merely our ships upon the sea but our trade interests in foreign countries. National defense to them includes the protection of an individual American citizen residing

and doing business in a foreign country whose interests may be threatened by the government under which he has chosen to live. And their faith is proven by their works, for they sent us into Nicaragua to protect the investments of American bankers in railroads, lumber, and banana fields. We were sent to Nicaragua because American creditors owned bonds and it became our duty to restore order so that they might be assured of their interest.

I want the plain people of this country to know of these perverted ideas of national defense. I want the people to know just what is contemplated by their rulers. The fathers and mothers who will furnish the boys to fight the battles—I want them to know the policies to which we are being committed. Under the cloak of national defense the powers in control have committed us to foreign policies more extreme in their logic and implications than those of the Roman Empire in its heyday. It is imperialism run mad.

THE CHOICE IS ATHENS OR SPARTA

And let me say that if these are to be the policies of America, they do well who advocate an incomparably great navy, and they do well who advocate universal conscription of soldiers for battle and labor for industry in time of war. And no extreme of preparedness is too great. For we will have need of armies and navies and the suppression of liberty and whatever else may add to our military strength. We will have need of force in all its forms, for come it will as certain as to-morrow that eventually we will be confronted by a world in arms.

No democracy should ever conceive of itself as a great military power. Military strength and efficiency is inconsistent with the principles of democratic government. The choice is before us, as it has ever been before virile and numerous peoples. Will we have peace or will we have war? Will we give our strength to military adventures or to the achievements of peace? Will we aim toward the cultural life or will we aspire to military glory? Mind you, we can not have both. [Applause.]

35537—5167

(Not printed at Government expense)

JEFFERSONIAN DEMOCRACY

ADDRESS

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

DELIVERED AT THE JEFFERSON'S BIRTHDAY DINNER OF THE
WOMAN'S DEMOCRATIC CLUB AT BIRMINGHAM, ALA., ON
APRIL 13, 1929

[Printed in CONGRESSIONAL RECORD, April 24, 1929]

My fellow citizens, I hold in my hand a scrap of paper which carries in a few brief sentences all that is fundamental in Americanism. It is an extract from the Preamble of the Declaration of Independence:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed. That whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it, and to institute new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness. Prudence, indeed, will dictate that governments long established should not be changed for light and transient causes; and accordingly all experience hath shown that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same object, evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw off such government, and to provide new guards for their future security."

FUNDAMENTAL AMERICANISM

In these few words are contained the articles of our faith. They comprise our political holy writ. It is the test; as you believe in these principles and practice them, you are an American—if you do not adhere to them, yours is not the true faith.

These sentences from the Preamble were penned by the immortal Jefferson, the founder of the Democratic Party. They expressed his hopes and his ideals. They were a brief of his political philosophy.

Jefferson believed in men as men. He trusted them as men. He had faith in man's wisdom and man's idealism. In Jefferson's philosophy man did not owe his right to life, liberty, and the pursuit of happiness to the grace of other men; it did not come from those in authority; it did not originate in governmental policy. Man possessed his right because he was a man. His Creator had conferred it upon him along with his soul. Man's right to govern himself was a moral right. It was an inalienable right. He could not give it away. It could not be taken by force. All offenses against it were moral crimes.

According to Jefferson, the individual has a natural right to order his own life. It is coequal with the right to breathe, to live. Anyone who presumes to interfere with that right commits a moral wrong greater than if he had interfered with the right of property. "Who so steals a man's liberty is more a thief than he who filches his property."

The individual's right to freedom of action is limited to such of his acts as may affect himself alone. To the extent that his acts may affect the right of another the other may interfere. Where the individual's acts affect himself and another equally both have an equal natural right to decide upon that action. This necessarily follows from the equal right of each in matters affecting himself. But this interrelationship does not destroy the abstract principle or its application to acts if such there may be which affect alone the individual who performs them. To warrant another to interfere with the actions of the individual they must be such as directly and of reasonable necessity affect him. He may not indulge in remote speculations.

The rights of individuals will not permit that the individual's freedom of action may be restrained even for his own good. Where the individual has the discretion belonging to a sound mind he may not be restrained merely for defective judgment, for if such might be done there is no limit to which autocrats might not go. Autocracy, whether benevolent or

otherwise, is indefensible, for it usurps power over men reserved to Deity.

The democracy of the community rests upon the same principles as the democracy of the individual—upon natural right and justice. To the extent that the community alone is affected, the individuals composing it have the natural right of unrestrained decision and action. That another community, whether of greater or less enlightenment, should interfere is intolerable. The right of the community to govern itself is not a mere privilege. It does not exist by virtue of political agreement. Its foundation is not in custom nor precedent; it has a moral aspect springing from the very roots of man's existence.

The principles of individual and community democracy are fundamental; they are applicable to aggregations of communities and to States and nations as well. Liberty for the individual is but another phase of liberty for community and for nation. It secures the nation's right to rule itself in those things which concern itself alone.

To the same extent that the individual may rule himself, he must not impose his will upon another; and this, again, is true of communities, States, and nations. It is as violative of fundamental democracy that a nation should rule another as that the nation should not be permitted to rule itself. Democracy, then, may be said to have two aspects—the right of self-government of individuals, communities, and nations and the denial of interference with other individuals, communities, and nations. The truly democratic nation rules itself and does not usurp dominion over its neighbors.

AMERICA THE FIRST GREAT EXPERIMENT IN DEMOCRACY

We are too prone to accept the Preamble as a mere commonplace. To understand America we must know not merely the history of our country but of the world's civilization. We must understand something of world conditions of the time when our Nation came into being.

America was the first of the great Republics. Here was made the original great experiment in democracy, in the ability of all of the people of a nation to govern themselves. The principle that governments derive their just powers from the consent of the governed was here for the first time applied on an important scale. That principle as enunciated in the Preamble was untried. It was launched upon a world in which civil government shaded from rule by a small and privileged class down to sheer autocracy.

The doctrines of the Preamble were heard in the Old World as the ravings of wild radicals. The beneficiaries of the old system, riding at ease upon the shoulders of the masses, viewed the principles of Jefferson as impossible, almost insane. These principles came into a world of baron and serf, of privilege smug and assured, a world which could not believe it possible that men are created equal.

COLONISTS NOT UNITED FOR INDEPENDENCE

It is a common error to assume that the people of the Colonies were united in their aspirations for independence. In every country and in every time the issue has been between idealism and materialism—between love and service of others on the one hand and selfishness on the other.

America was no exception to this rule. To the contrary, the principles which inspired the Revolutionaries were grossly offensive to an important faction. The rich, the powerful, the officials, and many of the educated had Old World ties of both interest and ideals. They wanted to hold to the old systems. They wanted no independence which meant more than the mere transfer of the seat of government to our own shores. It was in the main the masses who believed in democracy and who were willing to die if need be for a new order. This division of sentiment weakened our efforts and made success infinitely more difficult. The soldiers whom our troops met and overcame at Kings Mountain and Cowpens were in chief not British red coats but Tories born on our own soil.

From the parts of the Colonies not occupied by British troops the Tories withdrew to the West Indies, to Canada, and to Europe. More than 9,000 civilians left with the British troops when they evacuated Charleston at the close of the war. Some of the Tories never came back, but after Independence was gained many did return and resume their property and by degrees their dominating status. Resuming their former wealth, they soon asserted themselves in their former influence. It was only a few years after the Revolution before those who had been faithless during the war disputed for political power with the Revolutionaries who had fought the war.

MISSION OF DEMOCRATIC PARTY

It was to defend the fundamentals of Americanism that the Democratic Party came into being. The great political issues of post-Revolutionary days concerned these fundamentals. Had Washington, Jefferson, Madison, or Samuel Adams been asked to define Americanism, he would have pointed to the Preamble and would have said that the chief function of our Government was to safeguard the principles enunciated, and as machinery for the defense of those principles.

To Jefferson it was his great mission to expound these principles and to extend their operation. He, with others of his school, were the organized fighting forces of early democracy. They thwarted Hamilton's purpose to clothe the Executive with panoply befitting a monarch. They opposed the Federalist program in every detail. They struck down the alien and sedition acts of 1798. By the overwhelming support which the people gave to the Jefferson group approval was given to their interpretation of the purposes of the Revolution. The people approved the policies of Jefferson and his associates and their interpretation of Americanism.

What, then, are American fundamentals? Equality, liberty, and self-government, as found in the Preamble; the right of habeas corpus and freedom of speech, religion, and assemblage; prohibition against searches and seizures; due process of law, trial by jury, and other civil rights as secured by the Amendments.

These principles relate chiefly to the enjoyment of civil and religious liberty and as an incident thereto the protection of private property. Without regard for them our Nation may be rich and powerful, but it can not be said to represent the ideals for which the Revolutionaries shed their blood. Without these fundamentals the Nation may possibly be perpetuated, but with the surrender of any one of them or its perversion from its true and original meaning the soul of the old Americanism will have departed.

DIVIDED SCHOOLS OF POLITICAL THOUGHT

The two schools of political thought, of idealism and of materialism, dividing as they did our people in Revolutionary days, have continued down to the present moment. Always the people have been divided along this line—the democracy of Jefferson and Madison against the federalism of Hamilton and Adams—the patriotism, courage, and devotion of Jackson and Van Buren against the selfishness of Webster, Biddle, and the New England manufacturers; the rugged honesty of Cleveland against the chicanery of Blaine; the idealism of Wilson against the materialism and corruption of the Republicanism of to-day.

Our country is threatened with many dangers. I have no fears of radicalism, nor do I fear the encroachments of foreign powers. Rather do I fear ourselves and the falling away of our dominant and influential classes from the pure principles of democracy. Without doubt, there has been a great apostasy. Men do not love fundamentals as once they did. Freedom of speech and of religion, the liberties of the citizen, no longer

loom large in the public eye. Our chief concern is with our material life and with what policies shall bring us wealth and material prosperity. We are no longer jealous of the rights of the State, of the community and of the individual to govern themselves.

NO ROOM FOR TWO PARTIES WITH SAME PRINCIPLES

It is the mission of the Democratic Party to defend the ideals of the Preamble, to see to it that its principles flourish and are extended—to defend the rights of man, to recognize that property was created for man and not man for property and that property's rights are limited by the welfare of mankind.

There is not room in this country for two great parties devoted to the defense of property rights and of privilege, selfish interest, and material well-being. The Republican Party has preempted that field, and within it our party can not be a competitor.

No party has the right to exist which does not represent the spiritual ideals and social interests of its members. The Democratic Party has no right to exist, and can not exist, as a competitor with the Republican Party, for the patronage of property, special interest, privilege, and governmental favors. Ours is the party of "equal rights to all and special favors to none," and can not and ought not to exist if it should fall away from its high mission.

ALABAMA A DEMOCRATIC STATE

Alabama is a Democratic State. It is Democratic because of the ideals and sentiments of its people, because of their traditions, of their memories of the past, and of their hopes and aspirations for the future. Were there no other sufficient cause, Alabama would be Democratic out of gratitude for its rescue from the ruthless plundering of Republican carpetbaggers and thieves.

But, apart from all these reasons, Alabama is a Democratic State for the overwhelming reason that this section is cursed with a paramount issue. It is the race issue. We did not create the issue and would gladly put it aside, but it has been persistently thrust upon us by the Republican Party. Compared with this issue, all other issues shrink to nothingness. Fundamentally it is a social question. In its final aspect in striving for white supremacy we battle against social equality between the races and for the purity of the blood which flows in our veins. The real issue is whether the people of the South shall be degraded mongrels of mixed and polluted blood. Shall the southerner of the future be a mulatto, with the bad qualities of both races and the virtues of neither, or shall ours still be a land

of culture and of high ideals? Upon this issue we can never surrender and can never accept defeat.

Just so long as the Republican Party shall pursue its despicable policy of pandering to the negro—just so long as that party, for low political purposes, shall use the negro to promote strife in the South and shall encourage him in aspirations which the welfare of our civilization forbids us to concede—just that long will the South support the Democratic Party.

NO PARTY DIVISIONS FOR ALABAMA

I hear men say that we need two strong parties in Alabama, each to watch the other, and that it would promote good government. How foolish they are! They do not recognize when they are well off. Of course, we have our faults of local government. Sometimes weak or selfish men are in office. Our government is never ideal. But look at the States where the political parties are of fairly equal strength. Is their condition better than ours? Are Indiana and Oklahoma better governed than Alabama?

The theory is unsound. Party strife does not make for good government. Fairly equal strength of parties means intense partisanship, ring rule, machine politics, corruption, demagoguery, and strife.

What Alabama needs more than all else is harmony and solidarity within the Democratic Party. No greater calamity can befall us than that the responsible white people of our State should be divided among themselves. We need to stand together, to forget all our past differences and minor clashes of opinion—to stand together as responsible, thoughtful men and women patriotically devoted to securing for our State the best possible government and the highest ideals of service, courage, and devotion in our public officials. We must stand together to defend the traditions of our State and its civilization and to secure for it a noble future in keeping with its glorious past. We must stand together as Democrats to defend the principles of Jefferson and the hopes of the founders of the Republic.

48535—5350

Against Monopolies in the Bus Business

Speech of
Hon. George Huddleston
of Alabama
in the
House of Representatives

March 12, 1930



(Not printed at Government expense)



United States
Government Printing Office
Washington : 1930

102624—6159

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SPEECH
OF
HON. GEORGE HUDDLESTON

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 10288) to regulate the transportation of persons in interstate and foreign commerce by motor carriers operating on the public highways.

Mr. HUDDLESTON. Mr. Chairman, I rise in my accustomed rôle as objector. This bill is a bad bill, and as nobody else will object to it, I do it myself.

It is not a pleasant part to play. I dislike friction as much as anybody. I like to go along, and also I do not like to do any work that I do not have to do. The strain and responsibility of opposing a piece of legislation is heavy. I am sure that I do not take the part of objector out of any fondness for it. I take it solely from a sense of duty.

THE UNPLEASANT PART OF OBJECTOR

It is an unpleasant part to play, not merely because I counter against the attitude of the other members of my Committee on Interstate and Foreign Commerce; not only because I am flouting the wishes of the powerful selfish interests that want this bill passed, but chiefly because I recognize the futility of opposition.

My opposition will accomplish nothing; my efforts will be in vain. The Members of the House are not present. Probably out of 435 we have 75 in the Chamber. Half of these here will not listen and the other half do not care. Besides, I suspect that there is an occasional one who would not get anything if he did listen; and that not altogether through my fault. [Laughter.] The Members are busy in their offices, writing to their constituents. Election day is coming on. They want to keep in close touch with the people. I do not blame them for that. A Member of Congress has just as much right to save his life as anybody else. Self-preservation is the first law of nature in all walks and activities of man.

If the Members were here and if they would listen, still they would follow the committee who reported the bill. That is the practice of the House.

The responsibility is on the committee. The blame is on the committee. No citizen who may hereafter find out that this is a bad piece of legislation should point at his Congressman and say, "You voted for that; I am against you because you supported that bill." That would be unjust. It is only if his Congressman is a member of the committee and heard the witnesses who appeared before them and had an opportunity to understand the true inwardness of this bill and what is really intended to be accomplished by it that the citizen is justified in blaming his Congressman.

My efforts will fail. Members are going to follow the committee. I know that. It is the practice of the House. With

the majority it would not do for them to get "irregular" and to get "off the reservation." They would lose their party standing and their share of the spoils. They must line up with the machine. The minority, of course, have no principles anyway, so it makes no difference what they think about anything. [Applause and laughter.] One Democrat and one Republican applauded that statement. [Laughter.]

But more blame for doing wrong is to be attached to the Democratic minority than to the Republican majority. Nobody expects anything of the Republicans anyway, but the people expect us Democrats to be honest. The responsibility is with the Republicans, for they have the votes. It is their province, not ours, to pass legislation. I do not find any great fault with an honest Republican, if there is any such animal—[laughter]—I do not find fault with such a Member saying, "I must 'stay on the reservation' and go along with my party."

THE DUTY OF AN "OPPOSITION" IS "TO OPPOSE"

But on this side we have no such burden of regularity; we can afford to be honest and upright. [Laughter.] We Democrats are the opposition, and the duty of an opposition is "to oppose." An opposition which does not "oppose" has no excuse for existence. The initiative is with the majority. The responsibility is theirs; they will attend to whatever is needed. They have the votes. They do not need any Democratic "yes men." They will do the thinking, and, alas for the country, they will carry out their plans. A Democrat performs no function of any value to the country merely by coming here and saying "aye, aye, aye," to whatever the Republicans propose. Indeed, his constituents might better have sent a Republican here, because he might get in on the game and get something out of the "long division" that is going on. [Laughter.]

Under our vaunted "two-party system" the duty of an opposition is to "oppose," and I say to you that never in the history of our country has intelligent and courageous opposition been more urgently needed than it is at this time. I do not oppose this bill merely for that reason, for my opposition will cut no figure. But I do say that every Democrat can afford to think for himself on legislation, and having reached conclusions, he is warranted in dissenting and voting against it if his conscience tells him to do it. He owes no duty "to go along."

There is a duty upon an "opposition" to point out the defects in legislation. There was never a bill that did not have faults either in principle or in detail. There was never a measure that something could not be said against it. There was never a proposal which did not have two sides. The function of a real "opposition" is to present the other side; to present all the arguments against a bill; to show its defects and its faults; to expose its weaknesses. Unless an opposition does that, then such opposition might as well be at home.

It is unpleasant to oppose bills. I do not do so from any natural bent. Some of my friends tease me and say, "Oh, yes; you are against everything." Of course, it is useless to deny, so I plead by way of avoidance, "Yes, I am; and the trouble about it is I am always right." I have sometimes felt that a Member might come into the Chamber and without knowing what was going on vote "no," "no," "no" on every

proposal and his batting average would be at least 900. [Laughter.]

This is a typical bill, such as nearly always comes before the House. Powerful, selfish interests want this legislation. It means money in their pockets. It means opportunity and special privilege, and they want it.

"VAST AND VOCIFEROUS INDIGNATION"

A periodical writer took notice of me a few months ago with the sneer that I was "full of vast and vociferous indignations." At that it was not so bad. Indignation may be defined as "moral anger," "resentment of a public wrong," and so on. I confess to the "indignations" and I accept the "vast," but I deny the "vociferous." [Laughter.] If I only did but speak my thoughts upon all the many vicious measures that come before this House, I would indeed be "vociferous." I am a shy and quiet man, and speak only upon occasions such as this when nobody else will do it.

This is merely another selfish-interest measure, written by selfish interests and pressed by selfish interests. Who wrote the bill? The bus operators and the railroads.

You should have seen the committee room when we held the hearings. They were all there, the bus operators from over the whole country. The room was crowded with them, their lawyers, their strikers, and their hired hands. It was so crowded that only the railroad representatives could find a place to get into. They were all there and they were clamoring for this bill. They demanded that they should be regulated. Nothing short of the Government taking charge of their business would do them.

The people were not there, those who will ride in the busses. Not one of them was there, and not a cheep was raised on their side of this matter. The committee, representing "the people," were left to their own poor ingenuity to find if there might not be some reasons against this bill. All the hired talent present asserted emphatically that it was perfect.

The best brains that money could buy—and God pity us in these sad days, it can buy all there is—was there presenting reasons why this bill should be passed. None was there to tell us of its faults, its defects, and its iniquities. The people were not represented.

WHY "NO" IS ALWAYS RIGHT

And that was the usual situation before committees. The people are never represented. That is why a vote of "no" is nearly always right. Every measure that comes here comes because some great selfish interest stands behind it and pushes it on. We hear only their side, and the plain people are "mute, inglorious, and unknown." Nobody speaks for them. Nobody cares for them—that is, nobody but Members of Congress! I wish I could keep from being funny. [Laughter.]

Congressmen represent the people. Yes; they represent the railroads, too; and they represent the bus operators along with the people all by assumption equally. The people were willing to trust us. They did not know any better—but the railroads and bus operators, they knew better. They were not willing to trust us. They brought the very best talent in the land to control our decision. They conceded that we had sense enough

to see the people's side, but not that we had sense enough to see the railroads' and operators' side. [Laughter.]

I like the method adopted by the gentleman from Maine [Mr. NELSON]. He is an able man, his method is fine. He said that wisdom required that we should first see what the trouble was with the situation we were trying to remedy.

WHAT IS THE MATTER WITH THE BUS BUSINESS

Now, let us see what is the situation that we are trying to remedy. The Interstate Commerce Commission was set to the task in April, 1928, of finding out what was the trouble with the bus situation. They scoured the country and they had before them the same selfish interests that subsequently came before us. The commission raked and scraped and got up everything they could that would look like it helped to make out a case against the interstate busses.

And what did they say the trouble was? I have it here. I read from the report of the commission, No. 18300:

Bus service on regularly certificated routes is generally satisfactory throughout the country. Any serious complaint against bus operations appears to be directed against those conducted by noncertificated, unregulated interstate operators commencing operations after the State regulatory bodies were deprived by the decisions of the Supreme Court of such control as they had exercised over interstate motor carriers. These noncertificated bus operators, frequently referred to as "wild-catters"—

Note the epithet; that is the way they start out with the propaganda—

have worked considerable injury to the regular and responsible bus lines not only by cutting rates below what is claimed to be an economic basis but also because the financially irresponsible and reprehensible practices of some tend to discredit reputable and responsible bus operations with the public. The equipment of the "wild-cat" operators is sometimes represented by a single secondhand touring car purchased with a small down payment.

This is the whole indictment; listen to it carefully—

Some sell round-trip tickets and fail to make the return trip. Misleading advertisements are placed in newspapers. Sometimes their cars break down en route and passengers are forced to seek other transportation without reimbursement. Accidents have occurred where the operator having no liability insurance and being financially irresponsible, passengers' property has been lost with no method of recovery for the loss. On some occasions where a breakdown has occurred, passengers have been required to furnish the operator with sufficient funds for the repair of the car in order that the journey might be continued. In other instances cars have broken down and the operators, with little equity in the cars, have abandoned them and left the passengers stranded.

This was all they were able to find; this was all they were able to charge.

This is the bill of indictment. This is the situation we are trying to cure. Is this measure designed to do that merely? No; it goes far into other fields. It is certain that it has some other purpose than merely to correct the evils set forth.

The bill does remedy the situation. It does that, but that is the smallest part of what the bill does. It does much more, and therein lies the viciousness of the bill.

The committee had before it a bill which would have corrected all of the evils of bus transportation—would have fully corrected the situation as portrayed by the commission's report. It was a bill which required interstate busses to give bond to carry out their contracts and to respond in damages to any who might suffer injuries. That is all there was in the bill. I refer to the bill introduced by myself—H. R. 7630.

That bill fitted the situation pointed out by the Interstate Commerce Commission like a glove fits the hand. Were hearings had on it? Oh, no; it was never mentioned in the committee except as a joke. Nobody wanted that bill. It was not to correct the ills mentioned by the commission that the bus operators came before the committee. It was not for that purpose that the railroad representatives came. Not at all; they did not want that bill, H. R. 7630, because they did not get anything out of it.

There was no selfish interest promoted by it. It cared for the welfare of the people only. Of course, these selfish interests did not want it. Of course, we could not get it up in the committee. Of course, it was not reported to the House. Whoever heard of a bill being reported here with nothing more in it than something for the common good!

SUFFICIENCY OF STATES POLICE POWERS

We had a lot of misleading testimony before the committee about the necessity for legislation to insure safety and a lot of talk about the long hours that the bus operatives had to work and about "crazy old busses" and reckless driving and other things. It was not in the least relevant, for the States in the exercise of their police powers have ample jurisdiction to deal with all those matters. Nobody can successfully deny it.

I hold in my hand the hearings before the committee, in which were incorporated decisions of the United States Supreme Court, from which I will read. The first is the Duke case, decided on January 12, 1925, in which Mr. Justice Butler, rendering the opinion, says:

This court has held that, in the absence of national legislation covering the subject, a State may rightfully prescribe uniform regulations necessary for public safety and order in respect to the operation upon its highways of all motor vehicles—those moving in interstate commerce as well as others; that a reasonable graduated license fee imposed by a State on motor vehicles used in interstate commerce does not constitute a direct burden on interstate commerce; and that a State which, at its own expense, furnishes special facilities for the use of those engaged in intrastate and interstate commerce may exact compensation therefor, and if the charges are reasonable and uniform they constitute no burden on interstate commerce. (*Hendrick v. Maryland*, 235 U. S. 610; *Kane v. New Jersey*, 242 U. S. 160.) Such regulations are deemed to be reasonable and to affect interstate commerce only incidentally and indirectly.

In another case, *Buck against Kuykendall*, decided on March 2, 1925, the court, through Mr. Justice Brandeis, say:

The highways belong to the State. It may make provision appropriate for securing the safety and convenience of the public in the

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use of them. It may impose fees with a view to raising funds to defray the cost of supervision and maintenance and to obtaining compensation for the use of the road facilities provided. With the increase in number and size of the vehicles used upon a highway both the danger and the wear and tear grow. To exclude unnecessary vehicles—particularly the large ones commonly used by carriers for hire—promotes both safety and economy. State regulation of that character is valid, even as applied to interstate commerce, in the absence of legislation by Congress which deals specifically with the subject. Neither the recent Federal highway acts nor the earlier post road acts do that. The State statute is not objectionable, because it is designed primarily to promote good service by excluding unnecessary competing carriers. That purpose is within the State's police power.

The argument is not sound. It may be assumed that section 4 of the State statute is consistent with the fourteenth amendment, and also that appropriate State regulations adopted primarily to promote safety upon the highways and conservation in their use are not obnoxious to the commerce clause where the indirect burden imposed upon interstate commerce is not unreasonable.

The States—the efforts of an element in Congress to the contrary—still have their reserved police powers; they still have the power to protect the safety of life; they still have the right to regulate, in a reasonable and proper manner, the passage of vehicles over their highways; and to limit the number of hours that an operative may serve while in charge of a public vehicle on a highway.

"THE PUBLIC BE DAMNED"

The State has the power required to correct every abuse pointed out by the Interstate Commerce Commission—every power except to require a bond to insure that the bus operators will perform their contracts and pay any damages for which they may be liable. It may yet be decided that the States have even that power. If they have there is not the slightest reason why this bill should be passed.

If there is reason for any legislation why not pass the bill H. R. 7630, which stops with requiring the giving of proper security? No; we can not pass a bill like that; that would be merely for the public benefit, and who cares anything about the public! "The public be damned!"

Now, what does this bill do? The keystone of this bill, its axis, its essential part which stands as the only real reason why it is here, is the fact that it proposes to give a monopoly on the highways. That is the purpose of the bill. Whether that should be done, whether it is right to grant monopolies, whether we should preserve competition, of course that may be a debatable question, but there can be no debate over the fact that the purpose of this bill is to control competition and to prevent it in such cases as the Interstate Commerce Commission may decide is proper. If they decide that it is not for public interest then there is to be no competition.

Mr. DENISON. Would the gentleman say that the same purpose actuated the 43 States in passing legislation with reference to the intrastate traffic under State regulation?

Mr. HUDDLESTON. I should unhesitatingly answer yes. Bus operators and railroads have great local influence. It is not hard for them to control legislatures and they are used

to doing it. The people are not usually awake, until it is too late. Before public opinion can be aroused, selfish interests often secure special privileges. Now they come before Congress and say that because the States have done wrong Congress must go on and crown the wrong with a greater wrong. Can you wonder that that arouses "vociferous indignation"?

The same powerful selfish interests that came before us went previously before the State legislatures; and by arguments fair and unfair, and influences and instrumentalities, some of which could not stand the light of day, they succeeded in getting legislators, some of whom did not know what they were doing and some who did not care what they were doing, to grant them special privileges.

Why did not the operators come to this forum first, and then say to the States, "Your national body has granted us these privileges, and now you, as separate States, must grant them to us." They worked the other way around, because it was the easiest. For after all, submissive as the National Legislature is to the power of great selfish interests, the legislatures that hover around in many of the State capitals are still more submissive, and more open in their betrayal of the public welfare. Does the gentleman get my apology? [Laughter.]

RAILROADS WILL ABSORB BUS BUSINESS

Mr. CRISP. What percentage of the bus lines engaged in interstate commerce are owned by the railroads?

Mr. HUDDLESTON. Nobody knows; but the percentage is very large. Some are owned openly, but many of them are owned secretly. If the gentleman had asked how many the railroads will own 20 years from to-day I would have replied: Every one worth owning will be owned by the railroads.

That is the secondary purpose of the bill.

It is highly significant that in this bill by which, for the first time, Congress deals with the bus business, we provide for the certificate which will give a special monopolistic right, and proceed with another section of the bill to provide a means by which the franchise may be realized upon. We create a special privilege, then provide a means by which the privilege may be passed on to others. The railroads are rapidly absorbing the bus business of the country. Many more of the interstate lines are trying to sell out to the railroads, but the latter say, "You have nothing to sell." They come and get this bill, then they have a franchise to sell. Section 9 of the bill provides a means whereby they can pass that franchise to the railroads. It provides for consolidations without limit. It furnishes a means whereby the railroads may acquire the competing bus lines. It seems certain that within a few years all of the important bus lines will be owned by the rail carriers, or be affiliated with them, so that there will be no real competition between busses and railroads.

The next thing I want to get at is this report of the Interstate Commerce Commission. They used to be the "people's commission"—a long time ago. I would not like to turn my folks over to their mercies as that commission is at present constituted. If I owned a railroad, I would not mind going before them.

HOW MONOPOLY WILL BE SECURED

The monopoly that is expected to be secured by this bill is through the device of what is called a "certificate of convenience and necessity." In other words, if you get the certificate you can operate; but if you can not get it, you can not operate. And those who will decide whether you are going to get it or not are the Interstate Commerce Commission. You know what they think about competition. Here is what the commission said about it on page 737 of the report:

Certificates of public convenience and necessity are required, not so much with a view to safety or the conservation of the highways but, primarily, for the purpose of protecting the public interest by excluding unnecessary and wasteful competition and by determining what persons or companies are best able to serve the public. The requirement that a certificate of public convenience and necessity shall be prerequisite to motor-vehicle operation prevents duplication and unnecessary service where existing facilities are sufficient to meet the transportation needs of the public. It protects the public by preventing irresponsible operations. It gives to certificated carriers some protection against unnecessary competition.

I believe that every member of the committee will agree with me that that is the fundamental of the bill. Without it we would not have the bill; with it the bill is here.

What do the advocates of the bill say? I read what Mr. Benton said, on page 226 of the hearings:

In the first place, I think there ought not to be any question made about the primary purpose of the legislation. It is to restrict the operation of motor busses by imposing public control over such operation, so that no more shall be operated than are necessary. The unnecessary are not to be permitted to encumber the highways, and agencies of transportation which have been found necessary and authorized are to be free from their competition. The bill proposes to recognize that the common-carrier motor-bus business is one in which unrestricted competition and the rule of the survival of the fittest do not work well. It is proposed that the industry be recognized as public in its character, and that the Government, through appropriate agencies, shall determine who may operate, and the service the operator shall give, and the rates they shall exact, such regulation taking the place of competition.

At the present time the bus business is being operated on a satisfactory basis. There is free competition. Any man who has a bus can operate it on a public highway in interstate commerce and no one can say him nay. The business regulates itself through the principles of competition.

The purpose of this bill is to strike down that competition and to say that it is a business in which there should not be any competition; that we should abandon the principles of competition and accept regulation in its stead. At present the public is being protected by competition. This bill takes away that protection, that shield which the public has, and substitutes for it this poor, inefficient, and objectionable system of Government regulation.

To quote further from Mr. Benton:

Of course, it is self-interest which leads the bus owners now operating and the electric and steam carriers to favor this bill.

They did not fool Mr. Benton. They can fool the committee but they did not fool him—

Having devoted their property to public service—they want to make as profitable returns as they can. Most people who come before Congress come to tell how proposed legislation will help or hurt them from motives of selfish interests.

It is entirely proper that they should come. They say in this case, however, that what is to their interest is also in the interest of the public.

That is what they all say. All selfish interests say that. They spread about them the cloak of patriotism—their concern is for the public welfare. That is what everybody says—that is, when they try to get something for nothing, when they are trying to get a special privilege to oppress the public.

Benton again—

The theory of the bill is that the public will be better served at less cost if only sufficient busses are operated reasonably to take care of the traffic.

No man can read the report of the Interstate Commerce Commission, the testimony of Mr. Benton, and the other testimony in the case and reach any other conclusion than that that is the real purpose of this bill.

ARGUMENTS OF MONOPOLY SEEKERS

They say, in short, that for a man to prepare himself to serve the public adequately he must expend a large sum of money, and that he can not afford to do that unless his investment is on a permanent basis, and the field is not open for somebody to come along and take away his business. There are "wild-cat" operators, and the cry of "unfair competition" and "destructive competition" goes up. These are the epithets that all of these seekers of monopolies use.

There is no more reason why the principle of denial of competition should be applied to the bus business than to the grocery business. We like to trade with an up-to-date grocer with nice things in his store, and an efficient corps of clerks. A man can not afford to enter that business and make that preparation unless it is on a permanent basis. He does not like to be open to the competition of somebody setting up across the street and "selling for less." He cries out against it as "destructive competition."

The grocer's argument against competition applies, just as in the bus business, to every business. It applies to the lawyer in his office, to the doctor, and to other professional men; it applies to manufacturing and to merchandising, and from the top of business to the bottom.

Everybody finds competition exceedingly inconvenient. That applies even to the Congressman running for Congress. You ought to hear what we say about the fellows who dare to run against us for Congress! [Laughter.] "Here am I, who have equipped myself for the office by 15 years of study and service and an extraordinary amount of patriotism; why, I can not afford to do that if I am to be turned out every two years." It is wrong! "Down with competition for office." If you were

to put that question to the House you would get a unanimous "aye" vote. [Laughter.]

I would just as willingly leave to the Members of the House who were running for reelection the issue of whether they should have competition for office as I would leave such an issue to bus operators.

We hear a general clamor throughout the country against competition. Everybody wants a monopoly. But they realize that we can not leave the people to the mercies of the monopolist, and the monopolist knows he can not get away with that, so he proposes governmental regulation. The grocer monopolist says, "Let us have regulation of grocery stores and abolish these cheap little dirty stores, and do away with these shabby fellows who are willing to get along with less profit. Down with him, this little fellow who hires inexpensive help. It is not fair."

Here is a man with small capital, for instance, who can operate no more than his own one bus and drives it himself. Here, on the other hand, is a great concern, running busses from one end of the country to the other. Each one of these costs a fortune and it runs along the road like a storm out in Kansas. [Laughter.] The first little fellow runs a cheap bus, and he can do it for less. Now the cry goes up, "Away with him."

It is strange that I alone in the House have to be the champion of conservatism, to stand for the old principles, the ancient doctrine of competition, the good old doctrine of our fathers, the system upon which our whole economic structure is based. It is strange that I only am left to uphold that view. Other gentlemen have heretofore enjoyed the reputation of being conservative. But now they show themselves to be wild radicals, rushing on toward socialism with every force that they can muster.

A GENERAL DRIVE AGAINST COMPETITION

There are a great many men in this country who are dissatisfied with competition. They are going into mergers to avoid competition with each other. They are consolidating their industries to avoid competition. They are raising up mountain-high tariff barriers to avoid competition. They are making secret trade agreements and evading the antitrust laws, to avoid competition. These men have attained a state of wealth never known before in the history of the world. Their whole existence as business men is founded on the system of competition; yet these men are now driving on toward socialism.

I warn them that those who strike at competition are striking at the fundamentals of our economic system. Do not think that the people of this country are always going to submit to compromises with monopoly. Do not think that this country can be organized into a system of monopolies and can be continued on that basis.

Government regulation is a poor substitute for competition, and it is just as poor a substitute for socialism. It is merely a compromise between the two. Mark me, if we abandon the competitive system, reliance upon regulation will be but temporary and ultimately we will embrace some system of collectivism. If we should be forced to socialism, it should be not a

socialism for private gain, as proposed by this bill, not socialism for putting money into the pockets of individuals, but a socialism for the general public benefit.

I believe in the old system. I believe in competition. I am an old-fashioned man. I believe in the old-fashioned political system and the old-fashioned economic system. They are tied up with each other and can not exist independently. When one goes, the other will go.

I believe in the old-fashioned system of competition; I want to preserve it; I defend it. I want to tell you, gentlemen, that when you drive forward with such measures as this you are driving toward the day when men will say, "The system which we shall adopt shall be in the people's interest and not in the behalf of those who want to exploit the people."

LABOR ORGANIZATIONS—COLLECTIVE BARGAINING

Mr. DENISON. I want to ask the gentleman this question: Does the gentleman believe in collective bargaining?

Mr. HUDDLESTON. Yes.

Mr. DENISON. Collective bargaining prevents competition, does it not? I want to get the gentleman's opinion.

Mr. HUDDLESTON. The question diverts me altogether from this bill. However, I will answer it.

Wage earners have been forced to organize as a matter of self-defense. They organized to meet the organization of their employers. If we had as many employers as there are workers, so that each worker might have a separate employer, there would be no need for labor organizations and no need for collective bargaining.

In many cases a single employer interest has hundreds of employees. The employing interest is organized, and acts through a single officer or labor agent, and so is able to bargain collectively as an employer for such labor as they may require. To meet this, the wage earners must also organize, so as to be able to act through a chosen leader and also to bargain collectively. Otherwise there would be no chance whatever for the worker to meet his employer on anything like equal terms or to have an equal chance in the labor bargaining.

In the old times the workers were either their own employers or their employers worked alongside them as fellow workers. There was little need for a labor union then. The master weaver stood by the loom in the shed adjoining his humble dwelling and worked alongside of his hired helper. They understood each other, each the other's problems. They sympathized with each other.

The journeyman knew what profit his master was making. The master knew his employee's scale of living and the problems of his home. They talked with each other face to face. They bargained together on equal terms. When they failed to agree, the journeyman could find work at a neighbor's loom. It was a situation in which men could get along together.

But when the machine came in, industry was changed entirely. A simple relationship became an infinitely complex problem with both social and economic aspects. Large aggregations of capital were required, giving rise to the corporation, with a set of stockholders far removed from the plant. The workers

were herded together convenient to the factories and a social gulf opened up between those who tended the machines and those who owned the machines. The owner, remote from the works, did not know the worker, knew nothing of his problems, and delegated his power and responsibility to a manager, with the chief injunction to "get profits." To meet this difficult situation the labor union was formed.

I have in my mind the Steel Corporation, which employs some 250,000 men, of whom some 25,000 are in my district. The stockholders, the real owners, live remote from the company's operations. They do not know the workers—few of them ever saw the works, and many do not even know where the works are located.

The labor policies, which affect the lives of 250,000 wage earners and their probably more than a million women and children, are decided upon in the back room of a Wall Street counting house, by probably two or three representatives of the vast corporation, sitting around a table with nothing in their minds above the adoption of a labor strategy planned to yield the biggest profits for their stockholders. Upon their decision depends the welfare and happiness of more than a million humble people scattered throughout the country—questions of food and shelter and decent clothing, and whether there shall be comfort or despair in 250,000 homes—whether men shall have hope and self-respect and whether there shall be the color of health in the faces of women and little children. Yet, this momentous decision is made without hearing the arguments of the workers, without even giving them the poor satisfaction of presenting their side. There is no collective bargaining. There is no bargaining at all. It is merely the ukase of an industrial despotism.

It was to meet situations like that that labor organizations were formed. It was to be able to act with a single purpose, and through a single competent head or committee, that the unions were formed.

LABOR SELLS A PERISHABLE COMMODITY

Of course, no matter how solidly organized, labor can never hope to meet employers on terms of full equality. No matter how skilled the committee nor how solidly behind them the wage earners may stand, yet there can be no real equality with the employer. For labor's commodity is perishable. Labor can not wait and chaffer. Labor's commodity is a segment of a human life—a day's work—and that day upon which the sun goes down without a buyer having been found, is lost from the worker's life forever.

Labor is a commodity which must be sold or it perishes with the setting sun. With capital it is usually merely a matter of whether the profits shall be greater or less, but with the worker it is a matter of life or death.

When capital may play the workers off against each other, may force them to compete with each other for the opportunity to earn their daily bread, labor must be oppressed. It is only when labor is thoroughly organized and is able to deal through trained representatives, meeting the employer face to face and talking with him around the table that there may

be an understanding by each interest of the other's problems, some reasonable chance for labor to make a fair sale of what it has to offer. It was to gain this that the unions were organized and collective bargaining adopted as a principle.

And now having diverted me, I hope the gentleman from Illinois is happy. He and others who support this bill to monopolize the bus business and to destroy competition are driving on toward a time when those who are exploited by organized monopolies will, like labor, be forced to organize in self-defense. That time may be a time of stress and storm as mergers and monopolies are being "unscrambled."

CONSOLIDATION OF BUS LINES AND RAILROADS

I wish now to discuss another feature of the bill. I call attention to section 9. It is the consolidation section. It permits bus lines to consolidate with other competing lines, with competing railroads, with anybody they want to consolidate with, subject to the single condition that the Interstate Commerce Commission may find the consolidation to be "in the public interest." The lid is off when this bill becomes a law. A railroad may buy a bus line or many bus lines. A bus line may buy 1 railroad or 2 railroads or 10 railroads. There is no limit on such consolidations, provided the Interstate Commerce Commission will approve.

Now, we have before the Committee on Interstate and Foreign Commerce the railroad consolidation bill. It was voted out during the last Congress. A dissenting minority report was made by seven members, six of whom are yet on the committee. They opposed it on high moral grounds and on strict conscientious principle. They opposed it in detail and in principle. Yet all of those dissenting gentlemen, with the exception of myself, joined in favorably reporting this bill, and in doing so approved section 9.

Section 9 of this bill has in it every vice that was in the railroad consolidation bill. It violates every principle violated by that bill. Every word that could be said by way of criticism of the railroad consolidation bill can be said of section 9 of this bill.

In addition numerous other things might be said against section 9. I ask your attention to some of them. It has vices that were not in the railroad consolidation bill, which I have referred to in the minority report, as follows:

There is no protection in the consolidation provision of section 9 for short lines and feeders. The other bill did give protection to such lines.

Consolidations to be made under this bill are not required to be in pursuance of any general plan or system of grouping. The Interstate Commerce Commission permitting, a bus line in Maryland may consolidate with a railroad line in Oregon. They may consolidate for purely financial reasons. Consolidations permitted by this bill, under which a bus line may buy a railroad or 2 railroads or 10 railroads, and vice versa, may permit the destruction of the grouping plans of the Interstate Commerce Commission.

The railroad consolidation bill has certain limitations in it, but this bill authorizes a bus company to acquire competing

rail lines and bus lines without number. A bus line that runs from New York to San Francisco may buy the Great Northern, the Chicago, Burlington & Quincy, the Southern Pacific, and every other transcontinental line if it can get the money to do it; that is, if the Interstate Commerce Commission approves.

The railroad consolidation bill took into account minority interests and minority stockholders and gave some protection to them. This bill gives them no protection whatsoever and does not pretend to. It permits them to be dealt with as ruthlessly as corporation laws permit.

VIOLATES RIGHTS OF THE STATES

Now, I wonder if Members who still believe in our ancient system of separate States have a full sense of what is in this bill. It sets aside the antitrust act and all Federal laws which prevent consolidations. But not content with that, it strikes down every State statute which would prevent consolidations. It strikes down the provision of every State constitution which forbids competing transportation lines to consolidate.

The State of Nebraska, I am informed, in chartering a carrier corporation, has the condition that it can not become the owner of any competing line. The State of Nebraska may charter a bus line and, under this bill, the bus line can go forthwith and buy all the competing bus lines in the State, and buy the railroad lines which compete with it, and then laugh at the State of Nebraska.

The constitution of the State of Texas forbids that a corporation chartered under the laws of the State shall operate in another State. This bill authorizes a Texas bus corporation to go into Arkansas or wherever else it may want to go, and buy up all the bus lines it wants to, and so strike down the Texas constitution and laws, and laugh at the State of Texas.

This bill confers upon corporations powers greater than those given them by their creator. The States create certain corporations and clothe them with certain powers. They impose upon these corporations certain duties and certain limitations. This bill wipes them all out when they interfere with consolidations. Here we clothe, with Federal powers, a corporation created by a State and authorize it to transact its business outside the laws of the very authority which created it.

And the amazing thing about it all is that the able gentlemen who could not swallow the railroad consolidation bill take this much more nauseous section down without even the batting of an eye. [Applause.]

(Not printed at Government expense)

Food for the Starving
—
SPEECH
OF
HON. GEORGE HUDDLESTON
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, December 4, 1930

Mr. HUDDLESTON. Mr. Chairman, I heard the reading of that part of the President's message dealing with the present economic situation with much disappointment. I was able to draw from it very little upon the causes of the present depression. I was able to find nothing in the way of recommendations to prevent the occurrence of such situations in future.

Apparently the President belongs to that school of political and economic philosophy that looks upon such depressions with their resulting unemployment and destitution as inevitable and unpreventable. Apparently he visualizes similar suffering, similar starvation, and similar despair, occurring at fairly regular intervals so long as the Republic may survive. Apparently he thinks that they are a necessary evil, inherent in our economic system and impossible to guard against.

DEPRESSIONS PREVENTABLE—RESULTS OF ABUSE OF OUR SYSTEM

I regret the President's approach to this subject with such a despairing point of view. The existence of the present economic situation is an indictment both of our statesmanship and our economic intelligence, both in and out of government. Depressions are not inherent in our system of individualism. To the contrary, they are preventable; they are unnecessary; they are hurtful to our system; they violate and run counter to its principles; they are merely the consequences of the abuse of our system.

* * * * *

I believe in our economic system. I hold to the old-fashioned ideas of individualism and of competition. I want this system to be made to work. It must be made to work or it will be abandoned. Unless brains can be made to produce intelligence, unless vision can be brought to bear upon our problems, unless men can be produced who may attain to the stature of statesmen, our system is certainly doomed. Men will not remain content to stagger on from one period of depression to another, from one siege of starvation to another which may be worse, without some desperate experiment to relieve themselves from the constant threat of suffering and ruin.

INADEQUATE STATEMENT OF CAUSES

The President's statement of the causes of the depression is, to me, most inadequate. He mentions as the chief causes "speculation" and "overproduction." He cites "price falls," which "have diminished the buying power," as an incident and places blame upon political conditions in certain countries of Asia and South America. Russia is accused, of course, and casual mention is made of "our own drought," and blame is charged to "fear."

The President makes no mention as causes of the depression of the maladjustment due to overstimulation of certain industries and to labor-saving machinery; nor of the vast burden of debt flowing from inflation and installment buying; nor of the excessive spread in prices between producer and consumer; nor of high living, waste, extravagance, and idleness; nor of tariffs and trade barriers, trusts and monopolies; nor of excessively high prices for commodities and transportation; nor of taxation; nor of the failure of the Federal reserve system to function for the prevention of inflation; nor of numerous other causes which economists must recognize as contributing to the situation.

THE PRESIDENT'S RECOMMENDATIONS

Apparently the President thinks that our problem is merely one of "unemployment" and that that is the complete picture. Apparently he does not recognize that unemployment is in itself merely a symptom—merely a witness that something is ailing in our economic system. And dealing altogether with this narrow aspect of the situation, the President makes certain recommendations which are shocking in their inadequacy. No remedies for the causes which produced the ailment are proposed. He prescribes merely certain slight palliatives which are expected apparently to ease us in this hard place, while we are to go on with our eyes wide open to the fact that in a little while we will lapse into just such a similar situation of suffering. He says that "these occasions have been met many times before," and that they "are but temporary." He recommends "cooperative action," "faith and courage," and "self-reliance."

* * * * *

But there is one thing in the President's address that I heard with much pleasure. It was a real contribution. I quote:

We have as a nation a definite duty to see that no deserving person in our country suffers from hunger or cold.

That definite duty the President proposes to meet by injunctions to charity and to odd jobs, and by proposing limited expenditures for public improvements and for a loan to farmers for "seed and feed for animals" to be "secured upon the crop." And that is to be the end!

UNEMPLOYMENT MERELY PART OF PICTURE

Any picture of the situation which only includes men ready, able, and willing to work but who can not find work to do is incomplete, for it does not show the black shadow of hunger and despair which hangs over many other classes as well as the unemployed. Work is wholesome and good of itself, as idleness is of itself bad and demoralizing. But it is lack of income, not mere lack of work that is the cause of suffering. It is the destitution which affects idle wage earners as well as other classes who are affected.

An idle worker may or may not be hungry, depending upon whether he has savings, how long he has been idle, and other facts. There are other classes than workers who may be suffering more—the crippled, the infirm, the “too-old” men and women, the children, and all of the nondescript, semisubmerged classes generally called the poor, who lead but a scrambling and miserable existence at best, and who are first to go under in a depression. Then there are the thousands of small business and professional men who have been crowded to the wall, and who have neither skill nor fitness for work even if they could find it. A count of wage earners out of work would probably include less than half of those without income sufficient to sustain life. Relief for wage earners merely will do little or nothing to alleviate the condition of the submerged other half, who are suffering as much or more.

Common intelligence and statesmanship dictate that we should bend our efforts to cure in a comprehensive way the causes which have brought about this situation; but even if, in the dismally hopeless frame of mind that what is to-day will recur in another year only a little way hence, we are to confine ourselves merely to palliatives, surely we ought not to be satisfied merely with a program of public improvements which can at the best give employment to only a few thousand men.

The President says that his program will provide for the expenditure of \$650,000,000 in public works within the next 12 months, though he says that of that time six months is all we ought to give ourselves any concern about. How far will that go toward relieving unemployment? Surely the President is lacking in imagination if he thinks that such a limited program will do anything substantial to relieve the situation.

The aggregate expenditures for public works by States, municipalities, and the Government for 1930 reach the respectable total of \$6,300,000,000. Has that relieved unemployment? No; it has steadily and progressively increased. Yet the burden has taxed the credit of the States and cities, and their 1930 outlay probably can not be duplicated in 1931. The Government's contribution for 1930 was \$530,000,000. It is to be increased to \$650,000,000 for 1931, but it

seems certain that the States will lag and that the total will be less than for 1930.

At last a program of public improvements is a very poor way even of palliating an economic depression, and is to be resorted to only in a case of emergency. A public improvement is always a liability as well as an asset, and its cost of manning and maintenance is often greater than its benefit—it is not to be constructed without carefully weighing the advantages. Then, too, improvements must be paid for either now or hereafter; either means taxation, which of itself works against good times and stability.

EXTENT OF UNEMPLOYMENT

A few hundred millions spent for public work within the next six months! What will that do toward relieving unemployment? Does the President know how much unemployment there is? It does not help him to minimize it. It serves no purpose for me to magnify it—the bare facts are appalling enough. I hold in my hand a copy of Labor, which carries the statement from William Green, president of the American Federation of Labor, that 22 per cent of the members of organized labor are out of work and that if unemployment—

Continues to increase at the usual rate, we shall have 50 per cent more out of work by February than we now have.

The members of organized labor, speaking in a general way, and by average are select men and are more skilled and more competent and through their organizations are better able to secure employment than the average of men who work. If 22 per cent of the members of organized labor are idle, then it must be that near 30 per cent of the non-union workers of the country are unemployed. This 25 to 30 per cent of all labor does not include those employed only part time. It is, of course, clear that two men working half time are the equivalent in earning capacity to one man idle and only one man at work. From actual facts in hand, including figures on production, transportation, and trade, it is demonstrable and certain that not less than 10,000,000 persons are totally without employment, and that another 15,000,000 to 20,000,000 are working on an average only half time.

The census figures are ridiculous. As an illustration, they give the unemployed in the State of Alabama as 21,400, whereas a recent careful computation by our State emergency employment commission, an official body, shows a total of 98,330, of whom more than half belong to industry. The census showed only 8,410 unemployed in my home county of Jefferson, while the commission's count is 17,086. We may well conclude that the census figures on other communities are equally misleading. But the picture of unemployment, appalling thought it be, is not all. The 10,000,-

000 unemployed in the country at large do not include other millions of the old, crippled, deficient, and others who can not be fairly called wage earners.

WHAT LABOR'S SHARE WILL BE

Suppose we spend \$650,000,000 for public works. Of that amount not exceeding 60 per cent will be paid to the men who labor, to those engaged upon the works, and those engaged in producing the materials. The balance of 40 per cent will go for sites, raw material, overhead, profits, salaries, and so on—little, if any, of it to those in great need. Assuming that three-fourths of the \$650,000,000 is laid out within six months, labor's total share of the expenditure will be in the neighborhood of only \$292,000,000, which will give each of the 10,000,000 now unemployed about \$29 during the next six months.

And to whom will that be paid? In times such as these employers are able to pick their labor. They are able to choose the most efficient, strongest, and most capable. Nearly all of that money will be spent among that section of labor that is the most intelligent, able-bodied, and strong. This means the exclusion of all others. Perhaps some of the poor may be included among the chosen workers, but as a class those chosen are likely to be the less destitute, those most likely to have savings accounts or to have some means to ward off present starvation.

Little, if any, of this expenditure will be paid to women workers. What will be the share in the construction of public works of the women unemployed who must support themselves and their families?

No part of this money will be paid to those under 20 or above 50 years of age, and none to the decrepit, the infirm, and the crippled, and none to those who have no skill and no training which qualify them for labor. Are the sufferings of these to be ignored? Or must they depend upon catching a few crumbs under the tables of those who may be benefited by the Government's favor?

DESTITUTION AMONG COAL MINERS AND TENANT FARMERS

I have in my district hundreds, perhaps it is even thousands, of men working in the soft-coal industry whose earnings do not exceed an average net of \$15 per month, and upon that pittance they are trying to feed families, sometimes of six to eight children. A short time ago I was in a mining village of 400 to 500 people in my district. Poor people they were; there was no wealth or surplus there to sustain charity. They were chiefly merchants who had sold groceries and other goods to the workers at the near-by mines. I found they were running a free kitchen, doing the best they could, giving to the destitute one meal a day, consisting of bread and soup and a plate of mixed vegetables with a little grease mixed in to season them. I was told that 93 hungry people had called for that meal on the previous

day. I looked at those who came for the food and my heart bled for them. They were not accustomed to charity. In the main they were children; the grown folks would not come, but they let the children come. I looked at them. I saw their pale faces and the ragged little overalls they were wearing.

Do you tell me that those miners are going to get work constructing public improvements! What is to be done for them must be done quickly or they and their dependents are going to be so weakened by starvation and exposure that they will be forced to yield at the first touch of disease that may come along.

I have in mind the poor tenant farmers. They exist by hundreds of thousands in this country. I have in mind a typical community in Alabama, where the farm work is, in chief, done by negro tenants. They raise cotton to pay for supplies consumed while they are raising it and to pay the rent of the land. This year the price has been desperately low. Their crop has yielded them barely enough, if indeed even enough, to pay what they owed for supplies and for the rent for the land which they tilled. Those negro tenants by the hundred thousand scattered throughout the Southern States now confront the winter without credit, without supplies, and without money with which to buy food for their children. What good to them will be a loan to buy seed next spring? They are not going to make any crop next spring. Unless something is done they are going to be dead next spring.

* * * * *

A BILL FOR THE RELIEF OF THE STARVING

It is the duty of the Nation "to see that no deserving person in our country suffers from hunger and cold," said the President. What are we going to do about it? Shocking indeed is the inadequacy of the President's program, and so lacking in initiative has been the Majority in the House that no proposal has been made which contemplates anything more than he recommends, so that I have felt it my duty to take upon myself the responsibility of introducing a bill (H. R. 14042) which would place at the disposal of the President \$50,000,000 which he may use for the relief of the hungry and suffering throughout this Nation.

The argument against a proposal for direct relief is that it will undermine thrift and industry. Granted that it will, the consequences will not be half as serious as a failure to relieve widespread destitution. Direct relief will be less injurious to the morale of the people than for our Government to stand helpless and aloof in the presence of wholesale suffering.

The argument will also be made that direct relief savors of the socialistic. I may grant that also, but I reply that it is no new departure. There are many precedents. Time

and again our Government has granted direct relief in times of emergency. We have assumed to relieve destitution and suffering in times of fire, flood, and widespread calamity. I remember the controversy during Cleveland's administration over aid for the drought-stricken farmers of Texas. Numerous similar grants have been made. In 1919, just after the World War, \$100,000,000 was voted for the relief of the starving populations of certain European countries. Again in 1921, \$20,000,000 was voted to feed the starving in Russia. If we may feed Europe's hungry millions, surely we need not ignore the pangs of our own.

ONE OF THE CAUSES OF DEPRESSION

Any discussion of the present depression should include proposals for remedying the causes which have brought it about. I regret that the time which I have is insufficient for this purpose, but I feel that I must mention at this time one of the causes—one which I regard as the chief cause, which is "high prices."

Prices are too high. The spread between what the producer receives and what the consumer pays is excessive. This spread has increased more than 100 per cent during the past 15 years. A part of the increase has been caused by higher costs of doing business, greater overhead, more middlemen, and other items which are more or less legitimate, but the bulk of the increase represents not an increase in cost of doing business or production but in extortionate profits enacted from the consumer. From the manufacturer, in his capacity as distributor, all along the line to the consumer, profits totaling more than 100 per cent above pre-war profits are being extorted. Consumers are being required to pay extravagant salaries to officials and dividends on watered capital, and so on down the line.

The advocates of the "buy-now" policy apparently do not realize that the present depression is in some respects a buyers' strike, a strike against high prices and extortionate profits. It is no bad sign that prices are coming down. It is one way toward relief. A business man engaged in distribution should recognize that those of his class who are to survive are those who will find ways in which to deliver their products to the consumer at lower prices, representing less waste, extravagance, and extortion in distribution.

THE BATTLE FOR BREAD

I have in my mind the cost of bread. The battle for bread in these days is not a struggle, as with our fathers, against the forces of nature, but a battle against extortionists and profiteers, led on by the Bread Trust. Wheat is selling at 60 cents per bushel on Kansas farms, yet bread retails at 10 cents per pound to the starving masses in the centers of population. Four and six-tenths bushels of wheat will make a barrel of flour, 196 pounds, and the by-products are nearly

enough to pay for the milling. From the wheat for a barrel of 196 pounds of flour, costing on the farm less than \$3, the baker makes 285 pounds of bread, retailing for \$28.50.

During last year the Navy made bread for their men at a cost of less than 2 cents per pound for flour, shortening, salt, and all other ingredients. The labor cost of producing bread in a city like Baltimore was 47 cents per 100 pounds. The cost of producing a pound of bread in Baltimore is less than 2½ cents, bread which the retailer sells at from 8.5 to 10 cents per pound—a spread of about 300 per cent.

The extortion being practiced on consumers of bread is made possible by four great corporations—the Ward, the General, the United, and the Purity—which, with their flock of subsidiaries, compose the Bread Trust, and are able to dictate the price of bread throughout the United States. I have presented this situation to the Trade Commission—nothing done! I appealed to the Attorney General—still nothing done! The cost of bread is higher in the United States than in any civilized country in the world. It is more than twice as high as in any of the leading European countries.

The situation as to bread is duplicated in numerous other lines. Combinations, trusts, monopolies, conspiracies in restraint of trade—they are on every hand. They exist without let or hindrance. They are not legitimate to our system. They are excrescences upon and abuses of our system. Our Government can not be acquitted of fault, for it has failed to force business men to compete, a thing which it seems that they have become unwilling to do voluntarily.

Let us do something for the people who are starving. Let us give it to them direct. I would rather have \$10,000,000 distributed for the relief of destitution than to have \$100,000,000 spent for works of public improvement. It will do more good. It will do more to preserve the lives of our people than an expenditure of ten times the amount for public improvements could possibly do.

* * * * *

A bill authorizing an appropriation for the relief of destitution in the United States

Be it enacted, etc., That the sum of \$50,000,000 is hereby authorized to be appropriated, to be available until July 1, 1931, to the President of the United States for disbursement by him, at his discretion, for the relief of persons residing in the United States who may be destitute and in need of the necessaries of life.

SEC. 2. In disbursing the said sum the President shall have authority to use and employ such agencies as he may create for that purpose or as may already exist in communities, and may cooperate with States, counties, and municipalities upon such terms and conditions as he may deem best, and may disburse same either in the purchase of supplies or by payments in money to the beneficiaries.

28585—6995

No Food for the Starving

Speech of
Hon. George Huddleston
of Alabama
in the
House of Representatives

February 11, 1931



(Not printed at Government expense)



United States
Government Printing Office
Washington : 1931

41161—7190

SPEECH
OF
HON. GEORGE HUDDLESTON

Mr. HUDDLESTON. Mr. Chairman, as I introduced the first bill and made the first speech in Congress in behalf of governmental relief for the existing destitution, I feel a natural interest in the course of legislation upon that subject. It is with deep disappointment that I learn of the compromise which it is stated has been made, under which such relief is to be confined to loans in the drought area—to loans only upon good security.

STARVATION—FOOD FOR COMMUNISM

I heard with close attention the remarks made a few minutes ago by the gentleman from New York [Mr. LA-GUARDIA] and the gentleman from West Virginia [Mr. BACHMANN] on the feeble demonstration of communists here on yesterday.

As they spoke I asked myself why were the communists here yesterday instead of two years ago. The answer is obvious. They are trading upon the suffering and unrest throughout the country, and the hunger and despair which now prevails with millions of our fellow citizens. Human misery is the food on which communism thrives. The real enemy of communism is he who fights against the conditions which give it birth and which are essential to its existence. More than all now do the people need to be made to feel that their Government is sympathetic and just and that their welfare is an object of its unfailing concern.

The report of the special committee shows that they found very few communists. They comment on the fact that only a trifling and inconsiderable percentage of our people are adherents of communism. I believe it. So far as I know, I never saw a real live communist in my life. I have seen plenty of radicals, but upon talking with them I found that most of them know about as little about communism as they do about democracy—they merely expressed an urge, with a patter about a "dictatorship of the proletariat" and a lot of nonsense which they themselves did not half comprehend. The vast majority of our radicals are interested in better conditions for the poor and the masses, and not in "red" politics.

"LET THE FITTEST SURVIVE"

The Spencerian doctrine of "laissez faire" is wholly respectable. I can understand how an honest and sincere man

may believe in the harsh philosophy of "Let it alone"; "Let the fittest survive." He is supported by the facts of evolution in the vegetable and animal kingdoms. Back of him is the thorny path which humanity has traveled through the dim centuries before the beginning of recorded history. That he may think it well to continue upon this road I can understand. I can respect him if he is consistent in that position.

Arrayed on the other side against this cruel philosophy are all the ideals and all the kindly emotions of the human heart. Every impulse that men are willing to acknowledge, and the teachings of every respectable religion are against it. The admonitions "lift up the fallen," "love thy neighbor as thyself," and even "pray for them which despitefully use you," are accepted as guides for conduct throughout the whole world. Furthermore, there is the fact that no civilized government has ever adhered to any such heartless principle.

The doctrine of "laissez-faire" is respectable, and for those who adhere to it consistently I have nothing but respect, but for those who seize upon it to excuse them from some action demanded by the conscience of mankind, I have nothing but contempt. [Applause.]

From the beginnings of organized society men have had regard for the sufferings of their fellow creatures. Governments back to the beginning have always had regard for the starving and miserable among their citizens. Never in all history can it be said, unless it may now be said of the American Government, that a government has been oblivious of such suffering.

For action upon the part of our Government for relief in time of emergent and widespread distress there are a multitude of precedents. From 1804 down to this moment our Government has responded on a hundred occasions for the relief of suffering and starving citizens. A page of the RECORD would scarcely hold a complete list of these measures. We have succored not only our own distressed, but those of foreign lands. Never, so far as I know, in any important emergency except that which now confronts us, have those in control turned a deaf ear to the cries of misery and destitution.

SHOCKING INCONSISTENCY

We are now confronted by the spectacle of men in authority, who supported grants from the Treasury to feed famished Europeans, but who now refuse food to starving Americans. "Let it alone," they say; "it is not the proper function of government to supply food even in a nation-wide emergency." They place their feet upon high principle when it comes to food for our own citizens. They have used the public funds to subsidize shipping, aviation, and agriculture—they have spent millions in finding markets for our manufactures—

they pride themselves in levying tariffs for the fostering of "infant industries"; they have voted away billions for purposes for which there is no direct warrant in the Constitution, but they will not use one penny for the relief of a starving citizen. Starving women and men by the hundred thousands stretch out their hands, and their answer is "Let the fittest survive."

In all good conscience and logic, there can be no distinction in political principle between a gift and a loan, nor between a loan to buy food and a loan for some other purpose. How can those justify themselves in principle who have loaned hundreds of millions to shipping and industry, yet refuse a loan to buy bread for a starving child. They should be frank and say "It is the money we value—we fear the loan for food will not be repaid."

Those in authority lift up their hands and cry in horror, "It is a dole." Just what is a dole? The original meaning of the word was "portion," from which it has come to mean "charity." They refuse to give Government relief and say, "Let the Red Cross care for the suffering." Upon the pretense of high principle they refuse governmental charity and throw those who need it upon private charity.

Their argument against giving Government aid is that it will undermine the thrift and morale of the beneficiary. In the name of all logic I ask, How is it that the morale, independence, and self-confidence of a starving man are more secure when the bread which he receives is given by private generosity than from the public funds? If a poor man must have help, surely he can receive it, when paid for by his Government, with his self-respect more secure than when it is drawn from private persons whose sympathy has been aroused by his sufferings.

Those who oppose Government aid assert that the Red Cross will care for those in need. This is not true. The National Red Cross is giving no relief whatever outside of the drought area. Every cent of the funds of the Red Cross has been allocated to drought relief. Every cent of the \$10,000,000 being raised by the Red Cross by the present drive will be spent for drought relief. Every individual of the suffering millions in the cities, industrial sections, and territory outside of the drought area must rely for succor wholly upon the communities in which they live.

In Jefferson County, Ala., which I represent, the State employment commission estimated the unemployed in November at 17,000. As many more are working half time or less. It is safe to say that at least 10,000 persons in my county are in need of help to provide the normal necessities of life. For aid of these suffering thousands not a penny has come from any outside source. They must be cared for by local charity. The local chapter of the Red

Cross has no funds other than what it has received from the local community chest.

The burden upon my community is made much heavier by the fact that apart from unemployment there is an intense local depression caused by the deflated building and real-estate booms—a dozen local banks have closed within a few months. It is a new community without great accumulation of capital. Scarcely an individual in it but whose income has been seriously impaired. My community is duplicated by numerous others throughout the country.

THE COMPROMISE PROPOSAL

I have in my hand the report of the committee on conference upon the bill H. R. 14675, which, as passed by the Senate, carried a provision for the appropriation of \$25,000,000 for the relief of the suffering and the destitute over the whole country. I notice that now there is presented a so-called "compromise" by which it is proposed to restrict the appropriation, first, to make loans to individuals in the drought areas to assist "in forming local agricultural credit corporations," and, second, to make "loans to farmers" "for crop production" "and for further agricultural rehabilitation" in the drought areas, such loans to be "secured by liens on crops or by other security."

We have the interpretation by the committee that the \$20,000,000 is for "loans" secured by "liens on crops or by other security." We have also the interpretation of the Secretary of Agriculture, by which he says, in part:

A part of the normal agricultural credit operation in the drought area consists in financing from month to month by the landlord of his tenants. This financing goes to buy food and clothing, as well as for other purposes. It is principally this system which, due to a weakened banking structure, has broken down, thus depriving the community of the credit essential to economic recovery.

The provision in the pending proposal would answer the needs of all of these who can offer security.

Note the word "security."

It is clear that the interpretation of Secretary Hyde is correct. It is also certain that the committee on conference know the significance of the provision which they have reported.

LOANS UPON GOOD SECURITY

There are two things which are certain about this proposal. First, that not a penny of this \$20,000,000 can be loaned outside of the drought area. Not one penny of it can be used in the industrial sections or in the cities or anywhere else in this country, no matter how intense the suffering may be. That much is absolutely certain.

The next thing that is certain about this proposal is that not a cent of the money is to be given away; not a cent of it can be loaned without security; it is to be loaned and the

loans must be secured. The Secretary would be guilty of malfeasance if he should make a loan to a borrower unable to give security—more than that, he is charged with the duty to require “good security” for every loan—a security which will insure that the loan will be repaid. The man who has no security can not get one cent of this money even in the drought district. The poor, the propertyless, those who constitute the great class of our starving and suffering people, can not obtain as a loan or otherwise as much as one penny from this appropriation.

They call this a “compromise.” From the standpoint of the starving millions in the industrial sections I say it is an abject surrender. From the standpoint of the millions of our people, the poor, tenant farmers, both whites and negroes, throughout the drought sections, it is not a compromise. It is a craven surrender.

* * * * *

And what is the “compromise”? The best I can get it is that to secure for those able to give it the poor privilege of a loan on good security it has been agreed that there shall be no extra session of Congress. An extra session may be called only by the President. He may call it if he will or he may leave it alone if he does not choose to call it. Oh, but they say, if the President does not make this concession, we will refuse to pass some essential measure and then in order to carry on the Government he will be forced to call an extra session.

CONGRESS SHOULD BE IN SESSION

To my mind, if Congress had the power to decide against an extra session and should so decide, it would be guilty of the grossest breach of duty. There is nothing so demanded by the emergency that confronts us now as that Congress, in this time of trial and the suffering of the people, should be in session. [Applause.]

Who is it that does not want Congress to be in session? Who is it that does not trust the Representatives of the people to be in assembly where, if need be, they may act? It is not those who believe in the principles of democratic government; it is not those who believe in the Preamble of the Declaration nor in the Constitution. It is not those who believe in the people and regard them as fit to rule themselves. It is those who feel that they have an Administration that will look after their selfish class interests—they are unwilling to have the Representatives of the people here where the public interests and the general welfare may be protected. [Applause.]

UNREST AND DISCONTENT WIDESPREAD

Is it possible that there are those in control who are dissatisfied with the small number of communists we have?

Is it possible that there are those influential in the counsels of the Nation who want to make communists more plentiful?

There is discontent in the country, plenty of discontent. In the main it is economic. Little, if any of it, is political. There is the unrest that grows out of suffering and hunger. There is the discontent which comes from sorrow and despair. Some of you know that I am in touch with kinds of opinion not usually expressed in the public press, and based upon this may I assert that there is not only much discontent but there is a growing feeling of positive resentment against the Government. The greatest factor of public safety and order in our country now is that the starving and suffering multitudes have no one to lead them. They have no leadership and they have no program. If a Moses should come among them who could command their confidence and point them to some program which they believed would bring them relief from their sufferings, who could throw the light of hope into the gloom of their despair, they would rise and they would follow him. God grant that such a leader may not appear and that radicals may not be able to capitalize the prevailing unrest and discontent.

Do they want more communists or is it that they choose the other anti-democratic alternative and desire to make more fascists? Which side are they on? As for me I despise them both, but if I should be forced to choose between them, I would choose the communists, for they at least are interested in the multitude.

A MONUMENT TO GOVERNMENTAL STUPIDITY

The inevitable result of the policies of those in authority is to destroy patriotism and to alienate respect for our institutions.

If I were able to credit them with sufficient intelligence, I should be inclined to think that their purpose is to lay a predicate either for communism or for fascism. But I am unable to give them that credit. I do not think they have capacity enough to lay such a plan. They are merely building a monument to governmental stupidity.

If there were principle upon which these men might sincerely stand and refuse to hear the cries of the starving, then I might respect their intelligence, if not their sentiments. But there is no such principle. They are merely making an excuse.

What this country now needs more than all other things is that our Government should show that it is responsive to the sufferings of the people. No man who loves our institutions should justify himself in this time in taking advantage of a specious reason and refuse to listen and to help. More than anything else, our suffering and sorrowing people need to know that they have a humane Government in Washington, and that it will respond to their appeals.

NO VISION AND NO PROGRAM

Those who are in control of our Government face the deplorable economic situation without a program either for temporary relief or for permanent remedy. Apparently they view the situation as having "just happened," without any understandable causes therefor. Their plan seems to be to continue to drift, hoping in some way we will muddle out of our distress, and in the meantime "let him survive who can." Bankrupt in vision and unfit to shape governmental policy, they are equally poor in their recognition of the needs of the unfortunate.

Suffering and distress exist from one end of this country to the other, yet now we come upon a time when nothing whatever is to be done by our Government for the relief for those who dwell outside of the drought area, and even the suffering thousands inside of that area can not get a penny from the Government unless they are able to give good security. And this is civilization, and this, Mr. Chairman, is America! [Applause.]

41161—7190



(Not printed at Government expense)

NO AMERICAN SHOULD BE ALLOWED TO STARVE

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 9, 1931

The House in Committee of the Whole House on the state of the Union had under consideration the President's message.

Mr. HUDDLESTON. Mr. Chairman, I hold that in a time such as this it is in accordance with the principles both of humanitarianism and of sound public policy that we should adopt as a slogan, "No honest American should be allowed to starve." [Applause.]

A year ago I introduced a bill providing for direct Federal relief for those in acute distress. The President predicted that the depression would be over by the middle of 1931. The National Red Cross declined to administer any funds which might be appropriated for the purpose, and probably the majority of the people of the country became convinced that such a measure was unnecessary. The bill was not passed.

A year has gone. Millions of our fellow citizens continue to walk the streets of our industrial cities without employment. In millions of American homes the shadow of starvation and despair looms darker than even a year ago. Again I have offered a bill for direct Government aid for those who may be in distress. The bill authorizes an appropriation of \$100,000,000 for administration by the President, and provides that he may disburse it either in the form of food or of money, may cooperate with States and communities, may utilize existing organizations, and may create additional organizations as he may desire, and may disburse it either by gifts or by loans to those in need. In short, the bill gives the President the widest latitude in the administration of this fund.

PRESIDENT'S MESSAGE CLEAR IN ONE RESPECT

I heard the reading of the President's message on yesterday with deep disappointment but not with much surprise. In many respects I found it most confusing and muddy. In one particular I found the message distressingly clear. It was the pronouncement upon Federal relief for those in distress. He declared explicitly in opposition to direct or indirect Government aid. Whatever may be said of the President's lack of clarity and lack of purpose and of plan, no one can criticize the definiteness of his expression upon that subject. The President's message may be uncertain in other

respects, but one thing is certain, and that is he is determined that none of the funds of the Federal Government shall be used in the relief of the multitude of our fellow citizens who are starving.

This is an attitude which the President holds toward the individual only. He has no such opposition to aid for distressed business of any kind. He would aid agriculture. He would aid the railroads. He would give a dole to the holders of real-estate securities. He would come to the rescue of banks having frozen credits. He would use public funds to relieve industry and business generally. I think we may fairly say of all kinds of businesses that in the President they have a friend who is willing to use for their relief and rehabilitation the vast powers of the Federal Government and the resources of the Federal Treasury. He is even willing to aid the peoples of foreign countries. He has granted a moratorium to Germany, an action which will inevitably lead eventually to the cancellation of our European debts of some twelve billions.

MILLIONS FOR DISTRESSED BUSINESS, NOT A CENT FOR THE STARVING

With hundreds of millions the President would come to the rescue of the bondholders of the land banks, to the succor of the commercial banks, to the support of the railroads, and to the aid of industry of one kind and another. To these interests he would open the Treasury, but to starving men, women, and children he would not give a red cent. [Applause.]

I thank the President for his definition of a "dole." The dictionaries are all wrong; at last he has set us right. At last we know what a "dole" is. Last year his message left us in uncertainty. Then his impression seemed to be that any form of governmental aid is a dole, and that it was within the exclusive province of private charity to relieve distress. He has now receded from that position. He is now perfectly willing that the States, counties, and municipalities may use public funds for the distressed, and that kind of relief, he says, is not a dole. It is only when you take money out of the United States Treasury that it becomes a "dole." It is a "dole" only when granted to the hungry and not when given to banks, industries, and business in distress. This is presidential logic in 1931.

I am happy to be able to find one expression in the President's message with which I can agree. He pays a compliment to the spirit of the people. They have, indeed, been patient. They have met their responsibilities as citizens with a high degree of devotion. The rich, generally speaking, have met their responsibilities. Many of them, with incomes decimated to the vanishing point, have contributed with liberality to public charity. Here I pay a tribute to the wealthier classes in my own city for the splendid manner in which they have responded.

The rich have met their responsibilities. They have contributed liberally to charitable causes. The poor have been patient. Oh, amazing has been their patience in the hour of their suffering. Men have walked the streets naked to the elements and hungry, and knowing that their families were at home suffering for food. They have had too much pride and self-respect to call upon their fellow citizens for private charity. They have faced it out. They have endured it with fortitude. There has been little disorder, practically no pillaging, and small expression of political discontent.

WAR AGAINST STARVATION AND DESPAIR

Our country is at war, an awful war, a war as appalling and involving as much suffering as any war this country has ever engaged in. This war is not against a foreign foe but against a domestic enemy. That enemy is starvation, ruin, and despair. These brave soldiers in this war have borne themselves with fidelity and patriotism, and with a devotion which might well compare with the heroism of any soldier who ever fell upon his country's battlefield. [Applause.]

We had a demonstration here the other day by a few misguided radicals, the "hunger marchers." They were not in the least representative of the great body of the American people. They did not speak for them. Gentlemen sometimes stand before the House and raise the bugaboo of the red flag. I want to say, Mr. Chairman, that there has never been a finer proof of the soundness in principle of the average American heart and of patriotism and devotion to the principles of American government and of individualism than our people have shown during the past 12 months. [Applause.]

If there be those so timorous and so lacking in confidence in their fellow citizens that they have feared for American institutions, let them be reassured. America will not go communist. America will not be driven, even by starvation, to go communist. [Applause.]

NEW FAITH IN INDIVIDUALISM

The thoughtful American sees in the present situation added proof of the validity of the system of individualism. His faith is higher to-day than ever before. He recognizes that the ills from which we suffer are not inherent in our economic system. He knows that the evils which afflict us are due not to any fault in our system but to abuses of our system. He recognizes in this situation that we are reaping the harvest of the collectivism which you gentlemen of the Republican side of the aisle have sown with your special group favors and group discriminations; your collectivism of the protective system and of aid to agriculture upon the specious theory that as you prefer a special group some of the benefit will leak down and inure to the common advantage; with your collectivism of subsidies to shipping and

aviation which you have granted, and so through all your policies.

Now we gather the fruit of your false philosophy. Now the harvest is ripe. It is a harvest of suffering from the abuse of individualism and of the cankers and excrescences which you have fostered upon it. [Applause.]

The thoughtful American would not try to remedy this situation by rushing on to rash experiments in a new and more radical collectivism. He would return rather to the purity of individualism, in which there should be some real chance for private initiative and for individual effort upon a fairly equal basis. [Applause.] He would destroy the monopolies which you have fostered. He would strike down the trade barriers which you have built up. He would scatter by lawful and legitimate means the vast concentrations of wealth which it has been your pride to encourage. He would return to a time when real individualism and real democracy would have opportunity.

NO INCREASE IN PUBLIC WORKS

The President is firm in his position that the Federal Government should do nothing for the benefit of the poor and suffering. He even seems now to have gone back upon his former idea that some of the slack should be taken up by a system of public works. I listened to his message attentively. I was unable to find in it anything which encouraged me to believe that the President would approve liberal appropriations for public works. He refers to what has been done during the past year, and says—

That expenditures on these works during this calendar year will reach about \$780,000,000.

He also says that—

Through this increased construction and through the maintenance of a full complement of Federal employees, and through services to veterans, it is estimated that the Federal taxpayer is now directly contributing to the livelihood of 10,000,000 of our citizens.

The implication is strong that he does not favor any increase; that he is not willing to embark on any new projects; that he purposes to confine public works to the projects which have already been started.

Following what I have just read from the message I find a sentence that gives me some pause. He says:

We must avoid burdens upon the Government which will create more unemployment in private industry than can be gained by further expansion of employment by the Federal Government.

I am just a plain, blunt man and not highly literate, so it is small wonder that I was unable to gather any sense out of that sentence. [Laughter.] But I have asked some of my friends who have more acquaintance with language and languages, and find that they are as hopelessly hobbled as I am. Frankly, I do not know what it means. It looks to me like he comes out of the same hole that he went in at and that it does not mean anything. [Laughter.]

HOW MAY ABSENTEE OWNERS BE CALLED TO DUTY

The President insists that the Federal Government owes no duty to those who are suffering for food. Then I ask, How are communities which have been exploited by those who reside in distant States, and who have derived the profits out of the labor and resources of such communities—how are they to get at these absentee owners and make them do their duty by their idle workers whom they have abandoned to starvation? [Applause.]

I do not know any better illustration of what I am talking about than the situation in my home city. I live in an industrial city of some 260,000 population. The employment situation there is unspeakably bad. In February last the charitable organizations of my city fed about 25,000 people. In July of this year they fed between 12,000 and 13,000 of our people. The other day our city administration decided, as a matter of unemployment relief, they would dig a little canal out of some funds which they could use for that purpose. They advertised for 750 laborers at \$2 a day to do the work of digging—dirty drudgery and hard labor—and over 12,000 men registered for these \$2-a-day jobs.

RELIEF FOR BIRMINGHAM'S DISTRESSED

My city is an industrial city. A great part of the wealth which is originated there is siphoned into distant communities and is appropriated by stockholders and bondholders who live in distant financial centers. Ours is a young city in which there is very little accumulated capital. This fall we set about raising a community fund. We set our goal at \$700,000. It was a high goal. Conditions were so bad that few believed that we could reach it. I am proud to tell you that we reached our objective and went over it and secured subscriptions for \$750,000. [Applause.]

But even that considerable sum will go only a little way toward taking care of those who are suffering. Those who were able to give gave until it hurt. They went down to the very bottoms of their pockets and contributed to the utmost. But what will \$750,000 do toward feeding 25,000 to 40,000 starving people even for two or three months during the winter?

The charitable unit which disburses the part of this fund allocated to family relief has a schedule. They give from two and a half to four dollars a week to a family. Think of that. The average family consists of 4.3 persons. They have to live for a whole week on that pitiful sum, with nothing additional for rent, nothing for clothing, nor for fuel; it is barely enough to keep body and soul together.

Measured by our ability, we responded nobly—we subscribed up to the high-water mark of what we were able to do. You can not wonder, my friends, at my emotion, how deeply I am stirred by this situation. I am ashamed to

discuss it in detail. I would leave something to your imagination.

The State is not in a situation to help. Uncle Sam can help, but the man at Uncle Sam's helm will not help. [Applause.] He hears our cry unmoved. Starving women and children appeal to him in vain, his answer is, "A dole for business, more time to pay for Germany, but not a cent for you."

PUTS AS GREAT BURDEN ON THE POOR AS ON THE RICH

It is a gross injustice to hold that each little locality should care for its own distressed, for it puts the same burden on the poorest community as on the richest—indeed, a much larger burden than it places on those of the rich community. Where the communities are poor those in need are much greater in proportion, and yet those who can give are fewer and are less able to respond.

I think also of the poorer rural communities, many of them without organization and without arrangements to care for those who may be in need. There nothing is to be done. Neither Government nor State nor county nor private charity is to come to the relief of those who are in want, and only the grim hand of death shall ease their sufferings.

I have told you of my own city and what a splendid sacrifice the people there have made; we are going to continue to make every sacrifice possible. We are going to do our best by our brethren who are starving, for we recognize them as our brethren.

But this point I can not fail to comment upon. In taking the collections for our chest the response which was made came from local parties, the absentee owners of numerous businesses from their offices in distant financial centers heard our pleas in vain.

Mr. Chairman, our streets were full of those whom they had discharged from their jobs. They were full of those from whom these absentee owners had derived profits during the time of prosperity. They had siphoned the surplus out of our community, taken it away to spend it elsewhere, and now when the business ceased to be profitable they had closed up the doors, abandoned the enterprise, and thrown their employees upon public charity. We called upon them, we pleaded with them for help, and they gave us no favorable reply.

I CONDEMN NOT THE MEN BUT THEIR PRINCIPLES

I do not criticize them. It is not for me to criticize any man nor any concern for what they may give to charity. Each has his own peculiar problems; no man knows where the other man's shoe pinches. I am not condemning them. I do but condemn the principles of those in authority who are determined that we shall have no remedy against them. I call attention to this situation to indicate that there is no means by which you can get at these absentees for their

fair share for the relief of the unemployed for whom they are responsible unless the Federal Government will interpose its strong arm and through a system of taxation take away some of their profits and return it to the care of those whom they have left starving.

I shall call attention to some of these concerns. My city is a big railroad center. Nine railroads come there, and it has been one of the most profitable centers for them in all the railroad world. It has now become unprofitable. Men have been thrown out of work by the thousands, out of the shops and off the trains. Yet these railroad systems have not contributed as much as one red copper for the relief of those whom they have thrown out of work.

Let us consider Mr. Gifford's company, the American Telephone & Telegraph Co., which owns the telegraph and the telephone systems which siphon out of my community every cent they can through the extortionate charges of a monopoly—Mr. Gifford, the President's choice, is head of the committee for relief of unemployment. Oh, these corporations can all say that they are public utilities and are not permitted to give their money for local relief. That is a good alibi for a soulless legal entity, the corporation, but it is not an alibi for Mr. Gifford.

It is no alibi for the men who own the stocks and bonds of these railroad companies and these telephone and telegraph monopolies. They are owned at a distance—in Chicago, New York, Baltimore, abroad—I do not know where, but I do know that we are too poor to own them there in my city.

These men living in distant communities no doubt with a fine glow of self-approval contribute to their local community chests. No doubt they do, and, as I said, I am not criticizing them, but not a single individual among all these absentees contributed as much as one cent to our community chest. They contribute perhaps to feed the unfortunate needy in their home communities, but they have left their own former employees in my city helpless and undone.

SOME CONCERNS WHICH FAILED TO HELP

Here is the Firestone Tire & Rubber Co. with a business in my town. They did not give a cent. Here is the Garlock Packing Co. with a business there. They did not give a cent. Here is the Independent Pneumatic Tool Co. They did not give a cent. Here is the Mack Motor Truck Corporation with a local branch, and they did not give a cent. Then here is the Pan-American Petroleum Corporation. They did a business in my town last year of about \$130,000. They have dozens of filling stations there, but when we asked them to help feed some of those fellows whose old broken-down Fords they had supplied with gas, they refused to give us a penny. Here is the Louisiana Oil Co. and the Shell Petroleum Corporation and the Sinclair Refining Co., and here is our old friend, John D., of the Standard Oil. The Standard Oil does

an annual business in my city of about \$900,000. They have hundreds of filling stations. They are one of the siphons that I spoke about, drawing out the quarters and the dollars, taking it as they can get it, but returning nothing whatever for charity.

Then here is the Texas Co. It seems to me that I have heard that concern was owned by a gentleman very prominent in the Government, but I do not care to indulge in personalities. He did a business last year in my town of \$480,000. I have not the exact figures on these oil concerns; I have computed them from the amount of taxes, based on sales of gas, that the city collected from their filling stations. He did \$480,000 of business there and he did not give a cent to relieve the suffering of the starving. I spoke of the Western Union, and now I refer to that genial enterprise known as the Westinghouse Electric Co., that levies a tax upon practically every citizen in my town. They gave us nothing.

Henry Ford did not give a cent. General Motors did not give a cent. So I might go on through this list, but my stomach will not stand that I go farther with this recital.

THEY DRAW OUR SUBSTANCE, THEN LEAVE US TO STARVE

The great mortgage companies have loans in my town amounting probably to more than a couple of hundred millions. They are collecting interest on it when they can. If they had good sense they would try to build up the community so that they could get their money back. They are drawing this interest from nearly everybody. That is what makes us so poor. We have to pay so much interest to these financiers and money lenders. They are drawing this money all the time; it is a constant tax which no man may avoid. And now that our people are starving, they will not give us a penny.

And now I apostrophize:

"How, then, Mr. President, in your august opinion and in the light of the advice of those who surround you, may we, starving as we are, get at these people who have profited at our expense in time of prosperity and who would now abandon us to despair?" [Applause.]

If any Member has an answer to that, I hope he will give it now.

Speaking on the state of the Union and expressing my opinion, I should say it is bad, and one of the worst things about it is that we have a man in charge of the Government who is more interested in the pocketbooks of the rich than he is in the empty bellies of the poor. [Applause.]

And now I come back to where I started. It is sound from the standpoint of humanitarianism; it is a sound principle of government to guide our action in a time of desperate emergency that "no honest American should be allowed to starve." [Applause.]

The Bankers' Dole

Speech of
Hon. George Huddleston
of Alabama

In the
House of Representatives

January 12, 1932



(Not printed at Government expense)



United States
Government Printing Office
Washington : 1932

97834--7558

SPEECH
OF
HON. GEORGE HUDDLESTON

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 7360) to provide emergency financing facilities for financial institutions, etc.

Mr. HUDDLESTON. Mr. Chairman, this bill grants \$2,000,000,000 of the Federal funds and credit to a corporation for use in aid of distressed banks and railroads. It creates a banking corporation through which this vast sum is to be loaned to the financial institutions to be benefited.

This is an administration measure. It is one of the group of measures recommended by the President for the relief of the present situation. We have passed the first of his proposals, which applies \$125,000,000 to the farm-loan banks, the chief effect of which will be to increase the value of their outstanding bonds. The next bill on the program after the present is the home discount bank bill, making further large Federal grants for the relief of banks holding frozen real-estate credits. Next we are to grant a vast sum for the liquidation of bursted banks. Just how much this program for the use of the taxpayers' money for the relief of distressed business will eventually cost, no man can possibly foresee.

ARE OUR SUFFERINGS TO BE IN VAIN?

Perhaps the most pitiable feature of the situation is that apparently the sufferings of the American people are to be in vain. Apparently nothing has been learned from the depression. The President's program includes palliatives only. None of his measures even pretend to be curative. They are designed merely to deaden our pains. We are expected to recover without any real medication, and then only after the fever has run its devastating course.

Apparently the President and his advisors think that everything is all right—that the depression had no real causes—that we merely accidentally stumbled into it—that it is not the consequence of wrongful practices. Apparently they think that the situation is inherent in our economic system, and contemplate that those who are able to survive the siege are to go on under previous conditions. After recovery we are to stumble on in our blind way for a brief spell, when a similar depression will again overtake us.

The President seems to hold that the period of false prosperity which reached its peak in 1927 was ideal—that it had no faults nor imperfections, that nothing wrong has been

done, and that our aim ought to be to get on as best we can through our present woes in order to return, as in a dream, to the orgy of the boom years.

The President has offered nothing fundamental, nothing as a remedy. His program is merely of palliatives. He gives no call to any sounder footing or any more sensible economic practices than those which have brought us to the ills we now endure. Apparently he has made no analysis of the causes of the depression and no attempt to understand why we are afflicted. If he or any of those who speak for him have any plans to correct the evils of our system, they remain undisclosed. They do not propose to lower the trade barriers which have destroyed our foreign commerce. No effort is to be made to place our competitive system upon a basis of real competition, so that some fair opportunity would be afforded for the exercise of private initiative.

No remedy is offered for the vast spread between what the producer receives and what the consumer is required to pay. These poles are to be brought no nearer together. None of the waste, extravagance, and inefficiency in our system of distribution are to be eliminated. The producer of raw material is to be left to his below the pre-war price, yet he must pay for his supplies and all things he would buy upon a much higher basis.

THE PRESIDENT'S APPARENT IDEAL

Apparently the President has no plans to produce real competition in business, no aims to destroy monopolies nor to relieve the consumer of the extortions which they practice. We are to continue to foster the vast concentrations of wealth which have seized for their own exclusive use the natural resources of a great continent. No effort is to be made to restore to the people these rich resources created by the Almighty for the benefit of all, but which are being exploited for the advantage of the few. Nothing is to be done to in anywise hamper vast corporations in enjoying perpetual existence and practically unlimited powers.

In short, no effort is to be made by those in authority to restore to our citizens the fair equality of opportunity without which the system of individualism is a sham and a fraud. We are to continue after this depression under the previous conditions, in which the multitude is denied opportunity and in a state of practically economic servitude. We are to go on with the wealth of the Nation being collected into the hands of the few, while the great mass of our people are reduced to a state of poverty and despair.

If I am correct in my visualization of the President's ideal, and if indeed that ideal is to be realized, then truly will our sufferings have been in vain. If, indeed, we are to go forward to such a fate, learning no lesson from that which we have endured, then must it be said that our people have been the victims of a fiendish irony.

THE NEED FOR REAL STATESMANSHIP

Real statesmanship in this time would seek to understand the causes for our economic troubles and take steps to see that these causes are removed. The fault is not in our economic system. It is not inherent in individualism. To the contrary, the chief factors which have brought about the depression have been the result of abuses of individualism. They are excrescences, cankers, and sores upon individualism, and the real remedy is to cut them out and cure them. The real remedy is to return to a state of purer individualism, freed from the cancers of the false collectivism which have infected our economic system.

I have in my mind a program to bring us to economic liberty. It would carry us back to the principles of real individualism, and to some fair equality of opportunity, when there would be no longer ruthless exploitation of the consumer and of the average citizen. But from the present administration who could expect that such a program would receive countenance.

PSEUDO-SOCIALISM, SPURIOUS COLLECTIVISM

This bill well becomes the administration source in which it originates. It belongs to a system of collectivism, the spurious collectivism, the pseudo-socialism which is so typical of the Republican Party and of the present administration. As I said the other day, the collectivism of the Republican Party and the collectivism of Karl Marx have their chief difference in the fact that the socialism of Karl Marx was for the benefit of the people as a whole, whereas the socialism of the Republican Party is for the benefit of privileged classes—the special powerful few, to whom the party looks and expects to return it to power at the next election.

This is a socialistic measure. I will not affront the true socialist and follower of Karl Marx by hanging it upon his philosophy. It is a socialistic measure of the peculiar type characteristic of Republican philosophy, which holds that it is proper to confer a special favor upon a privileged class if only it may be argued that eventually a small part of the benefit may trickle down to some of the people. It is the kind of socialism that puts the masses in the position of Lazarus at the rich man's table, to remain content with a few crumbs that may fall from the banquet.

In line with that philosophy the protective system is founded; upon that argument is based the doctrine that a protective tariff is legal and justifiable; on that theory the Republican Party has granted benefits and special advantages to favored classes, always with the fine discrimination which leads to preferring those who enjoy large political power and are able to respond at the next election.

Subsidies have been given here, there, and everywhere. Even the voting power of the farmers was recognized when

\$500,000,000 of the people's money was cast away in the fruitless and foolish farm marketing act. Instead of striking down the special favors which you had conferred upon other classes as the result of which the farmers were impoverished, you undertook by this special favor to elevate the farmer into their class—the farmer whom you have bled for generations by forcing him to sell his products in the open markets of the world, while forcing him to spend his money in a closed market, buying at an arbitrary and false price under your protective system.

THE FARMER WANTS ONLY A SQUARE DEAL

The farmer has never asked anything but a square deal. He has never wanted anything but a square deal. Let me say that nothing but a square deal can ever be of any real benefit to the farmers of this country. What he needs is a fair fight with the right to buy in an open market at a fair price fixed by the law of supply and demand, even as he must sell in such a market.

And now we have come to the pass where American industry has been developed at the expense of other interests until it is an overgrown, swollen, and helpless infant, old and grayheaded, though yet an infant, and helpless and unable to stand alone. At last the time comes when the pap of special favor upon which it has been feeding for generations is no longer effective. The domestic market no longer suffices for industry.

The agricultural and other classes whom you have been bleeding throughout the generations, are at last exhausted and impoverished and can no longer furnish a market for your protected industries. So that at last you are forced to turn your eyes across the seas to world trade, and there you find yourselves hamstrung and destroyed by your cost-plus system of production, the Frankenstein which you have created. You built a dam and the water has filled behind it until the tide now sweeps all before it. You have tried to thwart economic law. You have defied the laws of supply and demand. You have created a certain special favored class, and now that class is being destroyed by the favors which they have received. [Applause.]

"THE BANKERS' DOLE"

In a recent speech in behalf of my bill for direct Federal aid for citizens in want, I pointed out that our Government was responsible in large part, as having contributed to the causes for the depression. In a sense, the depression roots back to the war, which was our Nation's war, and not the war of any community or locality. The war was the direct cause of the immense burden of Federal taxation. It also caused enormous economic destruction, and maladjustments of many kinds, of far-reaching consequences.

I also argued against the injustice of allowing absentee owners of businesses and industries to evade responsibility for caring for the poor of the communities from which they draw their profits, and for their distressed former employees whom they had let out of their jobs. I insisted that the only way to get at these absentee owners, who could not be reached by the pressure of local sentiment, was through a system of Federal taxation taking a part of their surplus to feed those whom they had exploited. I also pointed out the injustice of placing the burden on the poorer and unorganized communities of caring for their own many distressed, and leaving to the richer communities the much lighter task of merely feeding their few who are in need.

The only attempted answers to my speech were made by certain Republican Members from New England, who merely shouted "Dole, dole," without any effort to meet my arguments. Now we are treated to the spectacle of those same Members, and others of their way of thinking, clamoring for the passage of this bill which, even under the President's eccentric definition, must in fairness be called a "dole." The difference seems to be that my bill is objectionable because it is to feed the starving, while this bill is all right because it is to rescue distressed bankers. It is a "bankers' dole."

This measure can not be defended upon any sound principle of our governmental or economic system. Let no Member who may support it ever hereafter refuse, upon grounds of principle, to vote for any grant, gift, loan, or subsidy of Federal funds or credit to any individual or corporation or for any purpose whatever. He may refuse for policy's sake, but he is forever foreclosed on principle.

It is within range of possibility that this bill will be beneficial in some ways and to some interests. It is certain that in the long run it will be harmful to the general welfare. Already, with the promise of its passage, Federal bonds are descending. None of them sell at par. Very likely the first result will be that the public credit will be impaired. This measure, with the others to follow, may make it difficult to sell our bonds at a reasonable rate. Before the depression is over it may yet transpire that we will have an important need for the public credit, and will regret that we were not more zealous in preserving it.

I can not vote for this bill, violative as it is of all sound principle and promising only doubtful benefits, balanced by evils which are certain and inescapable. At best it is an effort to save property. Instead of voting to save property I prefer to vote first to save human lives. [Applause.]

(Not printed at Government expense)

AN IMPERATIVE DUTY—BALANCING THE BUDGET

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, March 12, 1932

The House, in Committee of the Whole, had under consideration H. R. 10236, to provide revenue, and for other purposes.

Mr. HUDDLESTON. Mr. Chairman, it seems to me that the debate upon this bill has been somewhat distorted by undue emphasis upon the so-called sales-tax feature of the bill. In the emotional outburst which has occurred on this subject, the real purpose of the legislation has been obscured, and Members appear to have lost sight of what we are trying to do.

A DEFICIT OF \$4,500,000,000

The expenditures for the fiscal year ended June 30, 1931, were \$903,000,000 greater than the income for that year. For the current fiscal year, the estimate is that the Federal income will be \$2,123,000,000 short of the amount which we will spend. For the fiscal year 1933 it is estimated that our revenues will be \$1,417,000,000 less than our expenditures. These figures do not include expenditures under the Reconstruction Finance Corporation act nor the \$125,000,000 appropriated in aid of the farm loan system, both of which items are carried as investments of Federal funds.

My own judgment is that these figures are much too low and that the deficit for the present fiscal year will amount to about \$2,500,000,000, and for the next fiscal year it will amount to something like \$2,000,000,000. But taking the figures of the Treasury, which are postulated on existing conditions, and upon the assumption that we will collect the next installment on our European debt, which everybody knows we are not going to collect, we will be confronted on July 1, 1933, by a deficit in the Federal Treasury of \$4,500,000,000.

The purpose of this bill is to, in some part, stop that gap; to in some part raise the necessary funds to pay not the deficit which will occur in the present fiscal year or the last fiscal year but the shortage which will occur during the fiscal year of 1933. Taking this bill in its most favorable aspect, and giving the most favorable interpretation to the estimates of the Treasury, we will be compelled to add to the public debt by the deficit which will accrue by July 1, next, something over \$3,000,000,000.

SHALL WE BALANCE THE BUDGET?

The first issue which we must meet is whether we will attempt to raise revenues adequate to our future expenditures, not our current or our past expenditures, but to the expenses of our Government for the year ending June 30, 1933. We have presented to us the issue of whether we will attempt to bridge that deficit, to add that safeguard to the public credit, or will default upon our responsibility and leave the deficit to continue to accumulate, with all the consequences which that action will involve. When we have decided that issue—and there is only one patriotic decision to make upon it—the remainder of this bill becomes a matter of mere detail. It resolves itself into the simple matter of how is the best way to go about raising the money.

The committee, after long deliberation and with the most careful study, have brought us this bill. It does not suit me in all its details, but with its fundamental purpose to raise revenues to prevent future deficits I am in hearty accord. [Applause.]

What is the alternative? Suppose we do not meet this deficit. Gentlemen on this side say: "It is a Republican deficit; it is due to their mismanagement; they have been in control of all of the branches of the Government; and the responsibility is theirs. It is a Republican deficit, and we should let them worry about it."

They say, "Why should we compromise our position with our constituents, why should we violate the views on taxation which we have held in order to cover up Republican mistakes and to cure the faults and evil practices of Republican misrule?" That perhaps is a good answer for the man who has at heart only the interest of his party. That perhaps is a sufficient answer for those who hold the welfare of their party above the welfare of their country. But it is no answer for the man who feels that he owes his country more than he owes his party, and that he owes to future generations more than he could possibly owe to himself.

DIRE CONSEQUENCES OF FAILURE TO BALANCE BUDGET

What will be the consequences if we do not bridge this deficit? There are certain facts perfectly obvious to us all. They are to be seen by even the simplest of us, whether or not we have been able to interpret those facts. We have, for illustration, seen the constant outflow of our gold. We have lost hundreds of millions of our gold stock during the last eight months. During the month of January alone, after there had been a temporary cessation of gold withdrawals, the demand for gold was renewed, and we lost more than \$100,000,000 in gold out of our stock. That is continuing. It can not continue indefinitely. The time is near at hand when with this constant loss of gold we will find ourselves unable to maintain the gold basis of our money. Our financial and economic system will be subverted and

something revolutionary in the financial world is bound to occur.

We have seen our Government securities depreciate day after day. Our $4\frac{1}{2}$ per cent bonds, which sold in the market last July for 114, are to-day worth only 100 plus a fraction. The 3 per cents that we issued last June at 100 are now quoted at 90. What does that indicate?

What does the continued downward march of commodity prices indicate? Is it the natural consequence of conditions, or does it register a barometric pressure which indicates the approach of a storm?

ONLY A LITTLE ECONOMIC SENSE REQUIRED

A man need possess only a little economic sense and a little understanding of financial affairs to realize that the credit of the Government is impaired, that confidence in the dollar has been shaken not only in foreign countries, which caused the export of gold, but among our own citizens.

Why is there hoarding? Why is there being hoarded, according to the estimate of men who claim to know about \$1,800,000,000, which has been withdrawn from circulation and stored away in safety boxes? Some of it is due to the lack of faith in the banks. That is obvious. But a large part of it is due to the lack of confidence in the financial integrity of our Government. Hear and consider these facts.

What will happen if we do not balance the Budget? Public securities will continue to descend. A gentleman mentioned yesterday that the Treasury certificates just issued had been oversubscribed. But note that the rate of interest which they bore is the highest ever paid by our Government on similar securities. Note that the $3\frac{3}{4}$ per cent paid is double the rate for which such securities were sold only one year ago.

It is certain that if we do not balance the Budget we will have to steadily increase the rate of interest upon the securities which we issue. Except for the pendency of this bill and the stimulus which was given by the recent financial legislation, we would not now be able to put out long-term bonds at less than $4\frac{1}{2}$ per cent. Unless we balance the Budget it is certain that before the 1st of July we will be paying 5 per cent or $5\frac{1}{2}$ per cent on the securities which we issue. What will we be paying six months from now? Will our bonds be selling at all?

"THERE ARE MEN AS SIMPLE AS THAT"

I do not want to speak with the voice of an alarmist, but I say that the condition is much more serious than the average citizen believes. I am in doubt whether even with this measure we will be able to remain on a gold basis. That will depend upon what confidence it may inspire in the world; it will depend upon the psychological condition of our own people and the investors of foreign countries. I do

know that we can not remain on a gold basis unless we do something to balance the Budget. [Applause.]

Some gentlemen will say, "All right; England went off the gold basis, so let us go off." There are men as simple as that. What will be the consequence? Of course, inflation, an inflation which will stop at a point which no man can foresee, an inflation which might result in the depreciation of our money until it gets to the vanishing point, as in the case of Germany a few years ago.

BANKRUPTCY FOR EVERY STATE, COUNTY, AND CITY

It is said that there are something like sixty to seventy-five billions of outstanding obligations in this country, public and private, payable in gold "of present weight and fineness." Leaving the gold basis will not touch those securities. We will still have to produce gold to pay the Government bonds. Your State, your city, and your county will have to produce the yellow metal to meet those obligations. You will collect your taxes and your public income in a depreciated "rag money," but you will pay your debts in high-priced gold money. The result would be bankruptcy for every State, county, and city in the United States, as well as the Federal Government itself. [Applause.]

I suppose men will say, "Oh, we can repudiate the public debts." Yes; we can also repudiate the Constitution. We can have political revolution. We can play hob generally, but show me the man who is willing to contemplate the full consequences which I have pointed out without taking some pause.

"TALK IN THE DEMAGOGUES CLUB"

We must balance the Budget. The deficit, although a Republican deficit, is our deficit, too. I have heard in the Demagogues' Club this talk, "It is a Republican deficit; let the Republicans worry about it." Yes; it is a Republican deficit; but this is not the Republicans' country. It is my country and it is yours. [Applause.]

Our country is at war—a war fraught with all the tremendous possibilities of a war with a foreign foe; a war against ruin, starvation, and despair. The same courage and patriotism required to fight the armies of foes in the trenches is required on the part of legislators now [applause] and the same spirit of self-sacrifice must be invoked; the same spirit of devotion to our country and to its institutions.

ALL TAXES ARE BAD

All taxes are bad. I abominate them. They are a species of confiscation. No tax should be levied except to meet the necessary expenses of the Government economically administered. No tax should be levied unless the taxpayer is given a value in government equivalent to the amount which he is required to pay. Anything less than that is confiscation. The burden of taxes which now rests upon the shoulders of the people of this country is almost un-

bearable. Had we not within our own hands, as citizens, the means to correct the evils from which we suffer I should say that it was time we availed ourselves of the prerogative enunciated by the preamble, to create a government fit to govern. The taxes are so heavy that the cost approaches more than the value of the government that we pay for. We must correct those evils, not by bankrupting upon public obligations but by economy and thrift and industry and businesslike management of our Government.

I fully agree with the statement made by the gentleman from Georgia [Mr. CRISP] that we ought to keep the expenses of government to \$3,000,000,000 or less. I believe it can be done. The difficulty about the situation now is that public sentiment throughout the country is not sufficiently aroused and enlightened to sustain us in such cuts as would be required to reduce it to such a figure.

FOUR ITEMS ALONE AGGREGATE \$3,600,000,000

Here are four items of expense that aggregate something like \$3,600,000,000. They are interest on our public debt, expenditures for the War and Navy Departments, the outlay for soldiers' pensions and benefits, and the salaries of public officials and employees. Together, those four items alone aggregate some \$3,600,000,000. In which of them will public sentiment support us in making a drastic reduction? As for myself, let me say with regard to every item except that of paying the interest on the public debt, which we are in honor bound to pay, I will support cuts in every one of them.

Taxes are bad, and a sales tax is particularly bad. It is levied upon poverty and not upon wealth. It is levied upon a man's needs and not upon his ability to pay. It is levied upon what men may consume and not according to the benefits which are derived from government. They violate every fundamental of taxation.

NOTHING NEW IN A SALES TAX

But there is nothing new in the proposal to levy a sales tax. We have had a sales tax ever since the Civil War; a sales tax on tobacco, a necessary of life, a thing which even the poorest and most ignorant man uses. We have had a sales tax on it, and as far as I have been able to hear in a service in the House for nearly 20 years, mine has been the only voice lifted against it on this floor. You have proceeded from time to time to levy it. We had sales taxes during the World War, a time of no greater emergency than now.

Let me say to those who object to a sales tax as a matter of principle, that a sales tax upon a luxury is just as much a sales tax as a sales tax on the necessities of life. It is a sales tax, and if you have principles, immutable principles, which your conscience forbids you shall override, you can not vote for a luxury tax, even though it be on silks and diamonds and Cadillacs. You can not vote for a tax on those articles, because it is a sales tax.

Then, too, what is a luxury and what is a necessary of life? We every day enjoy things which are to us the common necessities of life. We could not get along without them, and yet they were beyond the dreams of princes and lords a hundred years ago. The luxuries of yesterday become the necessities of to-day. There is a wide twilight zone in which many luxuries and necessities are so confused and intermingled that it is impossible, for principle's sake, to draw the line between them.

TAX THE LUXURIES—EXEMPT NECESSARIES FROM TAXATION

This bill does not suit me in numerous details. As a matter of policy—and I do not mean policy in a sinister sense, but sound public policy—I would like to see the field of exemptions greatly broadened. I would like to see the manufacturers' tax lifted from those articles in common use among average people and the rates made much higher upon those articles which are well within the field of luxuries, so, if possible, to make up the revenue that would be lost by exempting the necessary things. What that might be and how it might figure out surely no horseback rider galloping up and down these aisles upon a steed of oratory can undertake to decide. It is a matter for the careful study of the committee and figuring upon the part of experts.

The tariff section of the Demagogues Club complain about sales taxes. Whatever may be said against a sales tax, it is taken out of the pocket of the taxpayer and put into the Public Treasury. We have that justification. But what about that which is taken out of his pocket through the higher prices of protective tariffs and put into the pocket of the manufacturer? [Applause.] The sales tax is for the benefit of the Public Treasury while the tariff taxes are for the benefit of the private, selfish interests which have been strong enough to take hold of the legislator's arm and force him to write a law for their benefit.

THE "FARMERS' FRIENDS" SECTION

Let me turn to the "farmers' friends" section. What were they doing only two years ago? They took \$500,000,000 of the money belonging to all of the people, and through the farm marketing act put it into the hands of a board commissioned to juggle the market, to buy, to sell, to organize, to incorporate, and to manipulate the prices of farm produce for the sole purpose of raising the price, and so as to increase the cost of living to every man, woman, and child in the United States. [Applause.]

They took the public funds and used them to oil the machinery for taxing all the consumers of the land for the benefit of those who produce. And now they holler, "I will not put on a sales tax," yet they tried to levy a sales tax on the consumers for the benefit, not of the Treasury but for producing farmers. They failed in their effort to

break economic laws; they could not get away with that atrocity. They did their best to levy a sales tax for the benefit of the producers of only a few farm products. They levied a tax for their benefit upon the stomach and the back of every other citizen of the country, including all the farmers themselves. Where were their conscientious scruples then? Where were their high ideals about letting the law of supply and demand have free play and free opportunity?

"SAFETY FIRST" IN POLITICS

In that choice company of fine spirits which meet daily in the cloakroom, known in the vernacular as the Demagogue Club, of which I am one of the oldest and most consistent members [laughter], we have had frequent discussions about this bill during the last few days. Our slogan is "safety first," and living up to it we have had no difficulty whatever in deciding what is the vote to cast, particularly as to the sales-tax feature of the bill.

Taxes are always unacceptable, always objectionable, and always cost political strength and popularity. It has been easy for us to decide to vote "no" on that question. That is easy. There is no trouble about that.

We have several sections of our club. There is the farm section. I have already paid my respects to them. They are willing to vote for anything as long as it does not cost their constituents anything, particularly if it gives them something.

Then we have our oil section. They say, "For God's sake do not vote a sales tax on the people." Yet they insist upon an excise tax on oil coming into this country, "so that our wells can reopen and so we can go ahead and extort more out of the consumers of oil."

BEER SECTION OF CLUB

Then there is our beer group. They say, "We are unalterably opposed to a sales tax on the necessities of life." Then they turn around and say that "beer is a necessary of life, and we want you to put a provision in this bill which will legalize beer and levy a tax on it." Of course, they want that done on the theory that they do not expect a poor man to drink any beer, but that the beer tax is going to come out of the rich.

There is our "soldier friends" section. They are one of the biggest groups we have. Let me say in passing that some of us belong to all of these groups and some to none in particular, but just "demagogue" around generally on anything that happens to come along. [Laughter.] But the soldier group of the demagogue club are not willing to vote for a sales tax which will put money into the Treasury, but they are willing to take any kind of money out of the Treasury and give it to the soldiers. They are not willing to take \$600,000,000 from all the people of the country, as provided by this sales tax, yet they are "raring" to take

\$1,900,000,000 of the people's money and distribute it among the soldiers as a bonus.

Let me say here that I am going to pay the expenses of my next campaign out of my own pocket and not out of the Public Treasury. [Laughter.]

NEVER VOTED FOR A TAX AND NEVER AGAINST AN APPROPRIATION

We formerly had a Member of the House who attributed his political success to the fact that he never voted for a tax bill and never voted against an appropriation bill. He was a fine and worthy gentleman, but, eventually he was gathered to his constituents [laughter], and later he was gathered to his fathers. He has been gathered to his fathers and is but a memory with us here who loved him for his personal qualities and charm; but his spirit, like that of John Brown, "Goes marching on, goes marching on." [Laughter.] We have in this House, Members who will not vote to reduce the public expenses one penny but who are constantly imposing claims upon the public funds; they lead raids upon the Public Treasury but will not vote a tax to replenish it. I do protest it is not fair for these gentlemen, as much as I sympathize with them in the dire situation that leads them to do these things [laughter]—it is not fair for them to put upon the balance of us the burden of producing all the patriotism and all the brains for the Congress. [Laughter and applause.]

"THE REPUBLICANS GOT US INTO THIS"

And now I close. The Republicans got us into this. When I was a soldier in the Spanish war, on one rainy, disagreeable night, a little, short sergeant, Billy Ball, brought in a bunch of recruits. They had been drunk all night and all day and had now sobered up; they had had nothing to eat for a day or two and were as wet as drowned rats. They came into camp. Those of you who have ever served in the Army know how hard-boiled soldiers are. We did not give them even a pleasant look. They could not get even a place to sit down, nothing dry to put on, or anything to eat. Finally, one tall fellow whom I came later to know as Charlie Connally, one of the bunch who had just come in, found this little sergeant who had brought him in. He walked up to him and shook his finger in his face and said, "Look here, Billy Ball, you got us into this." Billy looked up into his face and said, "Yes; but, by gad, I can't get you out of it."

The Republicans got us into this but they can not get us out of it. It will take the combined courage and devotion of the whole people of this country to meet this emergency. [Applause.] I call upon my party associates, I call upon my fellow Democrats, to respond, as Democrats always have responded—do your duty by your country; correct the evils which the opposition party has brought about, redeem your country's credit, put it upon solid ground. The past is dead let us go forward to the future. [Prolonged applause, the Members rising.]

(Not printed at Government expense)

ON REPEAL OF THE EIGHTEENTH AMENDMENT

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

December 5, 1932

The House, in Committee of the Whole, had under consideration House Joint Resolution 480, for the adoption of an amendment to the Constitution, as follows:

"SECTION 1. The eighteenth article of amendment is hereby repealed.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in three-fourths of the several States within seven years from the date of its submission."

Mr. HUDDLESTON. Mr. Speaker, I voted against the prohibition amendment when it was passed by the House in 1917. My opposition was based upon grounds of principle—that the adoption of the amendment violated the fundamentals of local self-government and that it was subversive of our governmental system under which police powers are reserved to the States. The regulation of the liquor traffic is a police function; it is the exercise of a police power in the same sense as measures for safeguarding public order, health, and morals. The amendment set a dangerous precedent and was a radical departure from our system. Any who may be interested can find my views stated in the RECORD of December 17, 1917, Sixty-fifth Congress, second session, volume 1, page 461.

My views upon the amendment remain unchanged—the regulation of liquor is not a proper Federal function.

SUPPORTED AMENDMENT IN GOOD FAITH

The amendment having been adopted, I have supported it in good faith. This I will continue to do so long as it remains a part of the Constitution. I had hoped that those responsible for the adoption of the amendment would have diligently built a public sentiment to support it. In this I have been disappointed.

I have previously stated that I would vote for flat repeal of the amendment if and when I believed that the required three-fourths of the States would ratify. The results of the recent election indicate that repeal would now be ratified. I am therefore now ready to vote for repeal when presented in proper form.

There is no good reason why repeal should not be acted upon by State legislatures. I am ready to vote for repeal to be ratified in that way. That was the method by which the amendment was adopted.

NO PRECEDENT FOR RATIFICATION BY CONVENTIONS

That was the method adopted for ratification of the original Constitution at the beginning. That has been the unbroken practice during our entire history upon all amendments which have been submitted. The amendment for repeal now before us provides that it shall be acted upon by conventions to be called specially for that purpose. This is an unprecedented proposal, and one for which there is no legitimate reason.

To secure action upon the amendment through conventions will require that the State legislatures shall first create the conventions—the basis of representation in the conventions must be specified—the States must be divided into districts—elections must be called. The prohibition question will thus be projected into the political arena in every community—bitterness and strife will be fomented at a time when, above all others, the solidarity of our people is imperatively required. Elections will be held and the conventions assembled for action. The aggregate cost to the States of holding the elections of delegates and expenses of conventions will range from \$5,000,000 to \$10,000,000, at a time when every available dollar is required for the relief of those in distress.

Legislatures opposed to repeal will fail to create the conventions, or will delay action. Nothing can possibly be gained by this method, unless it may be considered that some advantage to one side or the other will result from the political strife which will be engendered. It will serve to delay action on ratification because of the fact that action both by legislatures and conventions will be required if this method is pursued.

RATIFYING CONVENTIONS CREATED BY CONGRESS

Advocates of action through conventions instead of legislatures answer the reasons against the convention method, and the delay and expense which will flow from it, by arguing that no action by the State legislatures is required, but that Congress itself should create the conventions. They argue that ratification is not a matter for the States as such, or as sovereignties, but is a matter for "the people of

the States," who may act under direct Federal supervision. They propose that Congress shall prescribe a uniform system for creating conventions in the several States, including the basis of representation, the calling and holding of elections, and a fixed date on which the conventions shall assemble. In short, that the ratifying convention shall be the creature of Congress, and not the instrumentality of the State.

This implies, of course, that Congress will fix the qualifications of delegates, and of voters and the method of voting, the appointment of election officials, declaration of results, and so forth. They propose to ignore the States and the legislatures entirely.

Those advocating this method propose seriously that, after Congress has submitted the repeal amendment, Congress shall pass an act providing for and creating the conventions for its ratification. They insist that such action is constitutional.

AN UNCONSTITUTIONAL PROPOSAL

I am unable to agree with their conclusions. There is no precedent from which argument may be made. The question is an original one, turning upon the construction of the Constitution. The section of the Constitution involved is Article V, which provides that Congress may propose amendments, which shall be valid "when ratified by the legislatures of three-fourths of the several States or by conventions in three-fourths thereof," as may be proposed by Congress.

It is obvious that, as instrumentalities of ratification, legislatures and conventions stand upon equal ground. The power of Congress over the conventions is made identical with its power over the legislatures. If Congress may create conventions, it may create legislatures. If it may provide when a convention shall assemble, Congress may also say when a legislature shall meet. If it may prescribe the method for the election of representatives to a convention, Congress may do the same as to members of the legislatures. If Congress may create a convention, the convention is not a part of the State government, and its members are not officers of the State, nor subject to the State's laws. And so Congress may create a State legislature, provide for the election of its members, and for their assembling together—a legislature which is not a part of the State government, does not exist under its constitution or laws, and the members of which are not officers of the State nor amenable to its laws.

Article V does not contemplate a necessity for amendments to the Constitution nor that it should or ought to be amended. Its purpose was enabling or permissive merely. It was intended merely to afford an opportunity for amendment. Under it the function of Congress in submitting an

amendment is no higher or more important than the function of the legislature or convention in ratifying same. Congress exhausts its power when it submits an amendment. It has then shot its bolt. There is no warrant for Congress to go further and deal with the action of the bodies upon whom the ratifying function is conferred. Congress has no constitutional power to supervise ratification or to compel such action. It may put a time limit upon such action, though Congress can not hasten ratification.

The proposal that Congress has power to create a ratifying body or to supervise its actions is, from a constitutional standpoint, nothing short of preposterous.

ESSENCE OF VICIOUS POLICY

Even if it be assumed that Congress has power to ignore State laws and institutions and to create a convention to bind the State by ratification, though itself not of or part of the State or its government—if we may assume the legality of such action—I should never under any circumstances cease from opposing it as the essence of vicious policy. It would establish a dangerous precedent for hasty and ill-considered changes in the Constitution. Even if legal, it would violate the fundamentals of our system and constitute a coercion of the States, intolerable in all its implications.

As stated, I am ready to vote for repeal of the amendment—flat repeal, to be acted upon through State legislatures according to the established custom and ancient practice. I will not be carried off my feet to vote for an unsound proposal merely because it is considered to be a popular measure. I will not be dragooned into voting for repeal without proper safeguards and after due consideration in keeping with the importance of the question and the dignity of the House.

149899—8921

(Not printed at Government expense)

Additional Remarks on Prohibition Repeal

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 16, 1932

Mr. HUDDLESTON. Mr. Speaker.

The gentlemen who are pressing for repeal of the eighteenth amendment through ratification by conventions instead of by legislatures in accordance with the unbroken practice are bound to have in their minds one or the other of two methods of creating the conventions; that is, by conventions created by the States, and which are the instrumentalities of the States and the members of which are officers of the States and amenable to the State laws; or, secondly, by conventions created by Congress, and which are instrumentalities of Congress, which Congress shall provide for and supervise, and in the creation and working of which the sovereignty of the States as such is wholly ignored. There is no other alternative. One or the other method of creating the conventions is contemplated.

And now I call upon them as a matter of political square dealing to tell us which of those two methods they contemplate. Perhaps they owe no duty to the "drys," but as one who is neither a "wet" nor a "dry," but who on the sole ground that the regulation of the liquor traffic under our governmental system is not a proper Federal function is willing to vote for repeal if properly safeguarded, I feel that I am entitled to know which method they intend to follow.

DUTY OF REPEALISTS TO DISCLOSE PURPOSE

As one who occupies between these factions a ground of neutrality and wants to act upon sober reason, I feel that I am entitled to know what method the repealists intend to follow, because by that knowledge will my vote be determined. It may be that those on the "wet" side have votes to throw away and do not need to disclose their position. They tossed mine away the other day, and perhaps they will continue to do so. But from a point of good faith I ask them to disclose what they intend to do.

One of the most prominent of the "wets," Mr. Palmer, former Attorney General, has declared in favor of ratification by conventions created by the Congress, and in which the States are to be ignored. Does he speak for his associate leaders? It is upon them to say.

RATIFICATION BY CONVENTIONS UNDER STATE AUTHORITY

I now make of them what I recognize as a fruitless request, fruitless, because, as I said, their minds are hermetically sealed and closed to any fair consideration of this matter. I ask them to visualize what will transpire by either of these two methods of ratification by convention between which they must take a choice.

In ratification by conventions created by the States, Congress must first submit the amendment; then the legislatures of the States must take action to call the conventions. They must pass laws for the holding of elections and fixing the dates upon which the conventions shall be assembled. The action of each legislature will be subject to approval or veto by the governor of the State. This legislative action is the first hazard which the repealists must encounter if they pursue that method.

Manifestly, all legislatures opposed to repeal will fail to call the conventions—will decline to take action. That will be their negative way of refusing to ratify; and the governors who are opposed to repeal will veto any measure for the holding of those conventions.

THE SECOND HAZARD FOR RATIFICATION

If the "wet" leaders have in mind to take this course, I call to their attention that not only are they providing for delay in ratification, but they are adding to the difficulties which confront repeal, for not only will they have to gain the approval of the legislatures and governors, but the issue must then be submitted to the people in the election of delegates to the conventions. Thereupon they must meet the second hazard, the peoples' vote upon ratification. This, in effect, is merely to give to the people the power to veto the favorable action on ratification taken by the legislature. The people will be able to exercise this right only if the legislature shall be favorable to repeal.

There is no escape. I challenge any advocate of that method to point out any escape from this dilemma. Therefore we may assert that it is certain beyond all question that gentlemen who favor ratification by conventions to be created by the States are providing a means for delay of ratification and a means whereby ratification will be made more difficult. Let somebody answer that if he can.

RATIFICATION UNDER AUTHORITY OF CONGRESS

Now, let us turn to the method of ratification by conventions created by the Congress. Permit me to say in passing that I do not doubt these "wet" leaders really want repeal. I credit to them the ability and perception to see the difficulties which I have pointed out, and, therefore, I must conclude that they do not intend to pursue the method of ratification by conventions to be held under the auspices of the States. It is fair and logical to assume that what

they have in mind, but which they have not revealed to us, is an intention to ignore the States and to hold the ratifying conventions under the supervision of Congress itself. Any other view would be to charge them with stupidity or with deliberately betraying their own cause.

ON UNCONSTITUTIONALITY OF PROPOSAL

What difficulties are involved in that method? First, there is the constitutional question. I do not believe the method is constitutional. In the RECORD of the 5th of December I set forth my views at some length and expressed the opinion that it was unconstitutional. Upon a subsequent day the gentleman from Pennsylvania [Mr. BECK] very ably argued the point and, in my judgment, clearly demonstrated that the proposal is unconstitutional. I do not desire to add anything to what I said then nor to what the gentleman said, except on this point.

The grounds on which it is contended that Congress may create ratifying conventions is that the Supreme Court has declared the function of the legislature in ratifying to be a "Federal" function, and in another case in passing upon the power of Congress to place a time limit within which ratification must be accomplished, stated that the limitation was legal as an incident to submitting the amendment; as "an incident" to it. The implication is strong that unless, as a part of the resolution of submission, and "as an incident" to submission, the Congress provides a limitation upon the time, Congress has exhausted its function when it submits the amendment, and can not by subsequent action limit the time within which action on ratification must be taken.

The proposal submitted to us on the 5th of December does not provide for ratification by conventions to be held under the supervision of Congress. That provision is not adopted as an incident to submission. If it is to be provided at all, it will have to be by subsequent legislation, by another measure passed by Congress, which must be passed in the usual way as a law and be submitted for the signature of the President just as any other law adopted by Congress.

So that if we visualize what will transpire in this alternative, after the consent of two-thirds of Congress has been secured to submission, Congress must pass a law providing for the holding of these conventions in the several States and the manner and time within which they may act. This adds to the certainty that the proposal is unconstitutional.

* * * * *

No man can say with any degree of confidence that the Supreme Court will sustain such action upon the part of Congress. So these gentlemen who propose that method have first to face the hazard of a decision of the Supreme Court which will result in delay and uncertainty and have other objectionable features.

UNITED STATES MARSHALS WILL HOLD ELECTIONS

If this method is adopted, what will Congress do? Congress will hold elections in the State of Alabama, and in every other State—an election outside of the authority of the State—will prescribe the day for holding that election and the qualifications of the voters and of the candidates, and for the division of the State into districts for a basis of representation. Then we will see upon that day the citizens and voters of the several States assembling to cast their ballots under the supervision of United States marshals and, if considered needful for the preservation of order, surrounded by Federal bayonets.

IS THIS WHAT WET LEADERS PROPOSE?

I ask any who have the faintest glimmer of our governmental system, who have any dream of adherence to the ancient and accepted doctrines of self-government and of the rights and dignity of the States, are you willing to visualize the spectacle of your fellow citizens assembled by the power of Congress, with their qualifications prescribed by Congress, under officials chosen through congressional authority, with the right, power, and laws of your States ignored and flouted, for the purpose of binding the people of your State in a matter of such supreme importance as an amendment to the Constitution of the United States? Is this what the leaders of the wets propose?

Let me say to these leaders, whoever they may be, that if they have any such thought in mind they should eject it instantly. The people of this country will not submit to congressional dictation in their elections. [Applause.]

What they propose, instead of furthering their efforts to bring liquor back, will retard their progress and defeat their efforts.

CONSEQUENCES OF PRECEDENT

I have no time at my disposal to discuss the full consequences of such a precedent. Suffice it to say that it means the eventual destruction of the States. If we are to have centralization, if my State is to become a mere province, I would prefer to proceed to it frankly and with my eyes open, and not by gradual encroachments which will inevitably bring about that end.

Where are the traditions and memories of those on my side of the House! What has become of their principles! I do expect my fellow Democrats to have principles and not to forget them merely because they see a fancied opportunity to cut across lots and to accomplish an end which they desire.

The consequences of what is proposed will be disastrous. It will close the door on many of the people's liberties and rights of self-government. These consequences will not end with this measure. They will last so long as this Nation may survive. [Applause.]

(Not printed at Government expense)

A Sound Currency at All Hazards

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1933

Mr. HUDDLESTON. Mr. Speaker. The money plank of the Democratic platform of 1932 is in these words:

We advocate a sound currency, to be preserved at all hazards.

It is obvious that the supreme factor in the restoration of normal business conditions lies in the strengthening of confidence. This confidence is not the kind expressed in blind hope or unfounded optimism. It is the kind of confidence that moves a clear-headed citizen to believe that he will be able to conduct his enterprise successfully and with a profit.

Upon a previous occasion I pointed out sound measures which I felt that Congress might adopt, which would tend to produce that kind of confidence. I will not repeat now what I said then.

There is, of course, no magic wand which may be passed over our dormant economic situation to quicken it at once into full activity. Confidence is both a cause and an effect, and necessarily is of slow growth. There can be no full confidence until through passage of time, the slow processes of construction, thrift, and industry have had a chance in which to operate. Nevertheless, progress can be made and there is no reason why we should delay doing those helpful things which the Congress ought to do, and which we can do.

As I have said, there are legitimate measures which Congress may adopt for the rebuilding of confidence. There are also measures which Congress may take which would further impair confidence and delay or defeat recovery and neutralize any other beneficial action we might take. Among these measures which might work for evil I know of none which has such dangerous possibilities as the debasement of our money.

EFFECTS OF INFLATION

It is beyond human foresight to foretell with any certainty the results of inflation. It is as impossible as to foretell the results of the explosion of a bomb. No man can tell where

the pieces may fly. And no man can foretell what particular harm will be done nor, indeed, that any harm will necessarily follow from an inflationary measure. All depends upon conditions.

I have in mind the inflationary measures adopted at the last session, as carried in the Steagall-Glass Act and the Borah amendment to the Home Loan Bank Act. Apparently those measures had no effect, either for good or evil. It is certain that they did not help price levels, as was promised by the inflationists, and that they have not had the tendency to restore business, as they had predicted.

A given amount of fiat money put into circulation at a certain time might not have the slightest effect on prices. The same amount issued at another time might result in a vast inflation of prices. All this relates to the fact that the purchasing power of fiat money, or other money which is supported in whole or in part by the credit of the Government, depends upon faith or confidence. To the extent that the people believe in the financial integrity of the Government, and that the money will be acceptable to others at face value—to that extent it will not increase prices. In the degree that the people lack faith will such money be depreciated in purchasing power, with a corresponding lifting of prices, until finally, if all faith should be gone, the fiat money becomes a worthless piece of paper.

Under given conditions billions based wholly on Government credit might be issued, yet circulate at par without any effect upon prices—then might come a loss of faith and, without the issuance of an additional dollar, the value of that previously issued be extinguished altogether.

"CONTROLLED INFLATION" IMPOSSIBLE

For this reason there can be no such thing as "controlled inflation," if by that phrase is meant the cautious pumping of paper into circulation, all the while watching the effect on prices, and with the intent to suspend the process when prices are raised to a certain level. Operation of the process merely to the effect of slightly stirring prices, though stopped there, might have subsequent effect to seriously impair the value of the money previously issued. There can be no such thing as "controlled" inflation any more than a "controlled" explosion of dynamite.

In forecasting the consequences of inflationary measures we are put to speculation and must rely on probabilities. No prediction of results can be removed from the field of probability. What, then, may we reasonably expect from the issuance of, say, some billions of money based wholly upon the credit of the Government?

First, there is the difficulty of stopping the operation. Though in good faith the intent may be to limit the issue, there is great difficulty, once prices begin to be influenced

by the ebbing of confidence, in suspending it. As the value of the money falls, more and more of it is needed to carry on our daily economic life, for, manifestly, \$2, with the purchasing power of only \$1, will do the work of only \$1, so that as the money falls a real lack of money appears. Also, the ease with which obligations may be paid in depreciated money is a constant temptation and an increasing influence to continue in a policy which has been entered upon. There are additional reasons which I will not attempt to state.

Second, once it is recognized that two kinds of money are in circulation—one kind based upon a medium of intrinsic value and good at par in all the markets of the world, and the other based upon faith and good only so long as the Government's credit is sustained—the one good if hoarded away but the other of possibly falling value—there will be an increasing pressure to obtain the first and to convert the latter kind of money. The fiat money will inevitably drive all gold and its equivalents from circulation or to an increasing premium, so that we must rely more and more upon the use of the fiat money, with an increasing lack of faith.

PRICES INCREASE ONLY AS FAITH DIMINISHES

Third, with the diminishing of faith, but only as faith passes, there will be an increase in prices. This increase in prices will occur only when faith has weakened. In the latter stages this increase will represent merely the effort of holders of the depreciating money to buy commodities or to make other investments having a permanent value, before its purchasing power has further diminished or is totally lost. This movement proceeds with increasing velocity until a total loss of value is reached unless in the meantime some measure of restoration or stabilization is adopted.

In the meantime business activities are greatly hampered, if not made impossible. No man with money will make a loan when it appears that he will be repaid in money of less value. No business man will embark on an enterprise when he can not reasonably foresee what standard of value he must operate under. There will be no credit; debts will be progressively wiped out; the chief activity will be in the effort to invest in things which will have a real value when the fictitious value attached to the money shall be gone.

As I have said, these are mere probabilities. They are not even predictions. It can not be said with certainty that either or any of these results will follow, but it must be admitted that any or all of them are possible. This is mere history. The vice of inflation, adulteration, and coin clipping has been often resorted to—always in some degree and to some extent with tendencies toward results such as I have outlined.

MONEY GOVERNED BY LAW OF SUPPLY AND DEMAND

An effort has been made for inflation through open market purchases of bonds, an effort which has brought into circulation a net of nearly one billion additional money since 1929. But try as they might, those charged with the duty of carrying on these operations have been unable to keep their money in circulation. They have bought the bonds. There was no "demand" for the money. It returned to the source from which it came and was canceled. So that since last July the demand of business for money being so weak there has been a reduction in circulation of above \$50,000,000.

Money is governed by the law of supply and demand. I hear men say that there is a great scarcity of money and that there is a demand for money. A shocking error—the demand for money has never in the history of this country been so little as it is to-day. Interest rates, the wages of money have never been so low. There has never been so little opportunity for men with money to use it to advantage as now. There has never been so little opportunity for men in business to use money in their business as there is now. There is no scarcity of money. The scarcity lies elsewhere. It lies in lack of opportunity for profitable and safe investments.

There has been no deflation of circulation—to the contrary there has been an increase in circulation of \$1,000,000,000 since the peak of 1929. I hold in my hand the last report of the Secretary of the Treasury. It shows that the money in circulation in 1929, when business was booming, was \$4,746,297,000, or \$39 per capita, and that money in circulation on July 1, 1932, was \$5,695,171,000, a per capita circulation of \$45.63.

And here may I observe that this subject is attended with more fallacies, with more erroneous assumptions of fact and more misinformation than any other public question whatsoever. It is attended with more misrepresentation, more intolerance, more appeals to class and other prejudices, and more unwillingness to listen to reason and fact—this has characterized the inflationists since the beginning of the demand for fiat money in the seventies.

THE CRY OF "DISHONEST DOLLAR"

The inflationists point to the fall of commodity prices and blame it upon lack of money; they call our dollar a "dishonest dollar." When, may I ask, did this culprit dollar turn criminal? Was it in 1920, when prices had been expanded to an index of 154, when men who had loaned 100-cent dollars in 1913 were forced to accept payment in dollars with a purchasing value of only 64 cents? I heard no cry of "outrage" from these gentlemen then.

I know a man who bought a 20-payment life insurance policy in 1892. He paid it off. In purchasing value that

policy was worth in 1920 less than one-half of what he had paid for it; and to-day it is worth only about 80 per cent of what he paid for it. When did this dollar turn crooked? "In 1929," they say.

It is an amazing dollar that it should be so discriminating and unequal in its "dishonesty." The price of cotton is on an index of 23 compared to 100 as the average for 1923 to 1925, so that the dollar is 77 per cent dishonest in buying cotton. With wheat on an index of 33 the dollar is 67 per cent dishonest. With agricultural prices generally at 41 it is 59 per cent dishonest; it is only 39 per cent dishonest on nonagricultural products with index at 61, only about 20 per cent crooked on clothing, 30 per cent on iron and steel, and when you reach the item of steel rails it is only 7 per cent dishonest. So this vicious dollar adds to its other crimes the crime of discrimination among its victims.

Is it needed for me to say to any sensible man that the mere recital of these figures demonstrates beyond any doubt that the trouble is not with the dollar but with the prices? The trouble is not with the yardstick, it is with the cloth. Yet the inflationists, blind to the realities, would cut off the yardstick to make it conform to the shrunken cloth instead of taking the course which intelligence would dictate, of trying to deal with the cloth so as to restore it, until what was formerly a yard would again become a yard. The course of intelligence now is not to debase our money, which is merely a measure of value, but to do something to restore prices. And there are legitimate measures which may be taken to restore prices and place them on a basis of fair equality, but none of these have they yet been able to see or, if able to see, have they chosen to advocate.

LEGISLATION FOR THE DEBTOR CLASS

The inflationists say frankly that they want to do something for the debtors of the country, and they point to the fact that the average price for farm produce which used to sell for a dollar is now only 40 cents; that debts were incurred with prices upon the former level which it is unfair to require to be paid with prices upon the lower level. They see in that a reason why we should water down the dollar, with the view to raising the price of commodities.

In logic, any effort to depreciate the purchasing power of money would operate equally upon all commodities. If by inflation the value of the dollar is reduced to 50 cents so as to lift the price of cotton 100 per cent so that it will reach an index of 46, in logic it will lift the price of wheat to 66, agricultural products generally to 82, nonagricultural products to 122, and steel rails to 186. This will leave the farmer in exactly the same position and suffering from the same inequality of prices as he now is.

But bear in mind that the farmer who is not in debt is suffering now not so much from price deflation as from the

inequality of the deflation. And bear this also in mind: This inequality of price levels is due to the unsheltered position of the farmer and other producers of raw material, whereas the industrial and other interests have been able to shelter themselves behind protective tariffs, monopolies, oppressive trade practices, and all that other collection of means whereby they are able to evade the laws of supply and demand.

They have had the strength of position to protect themselves behind those bulwarks. If you inflate our money to a point as would double the farmer's price, the likelihood is that because of the weakness of his position, he would be unable to realize the full advantage of the increase; it is rather unlikely that he would be able to cash in on the debased money and get the benefit that was coming to him. But as to those interests which are protected, having the strength of the position which has enabled them to resist deflation, it is certain they would be able to get their full measure in the increase in prices. It would be expected in that situation that the farmer would not be able to get up to his inflation index of 82, but that the price of the producer of steel rails, having a monopoly, would be lifted to the full limit of 186 contemplated by the program, and that other industrial prices would be lifted on a corresponding scale. The result would be that the farmer would be still further victimized and his relative position made worse.

The movement for inflation is frankly a debtor's proposal. The idea is to take governmental action which will make it easier for the debtor to pay his debts.

I protest that such a purpose is intolerable. I am unwilling to legislate for any particular group, be they either debtors or creditors. It is intolerable that we should deliberately juggle with our money system to benefit any selfish interests, and the debtors are just as selfish as the creditors. The part of statesmanship is to legislate for all the people and for the common good, and not in behalf of any group or class.

I have in mind the prudent, thrifty citizen whose interests, either as debtor or as creditor, are not paramount, and I want to protect him. He has his rights, and I would defend him in them. I am unwilling that he should be crushed and his future jeopardized and probably destroyed through class legislation on behalf of either of these interested groups of debtors or creditors.

WHO ARE THE DEBTORS—WHO THE CREDITORS?

I wonder if the champions of the debtor class realize just whom they represent. Do they know who are the debtors and who are the creditors? Perhaps an analysis of the figures would be of some help. The total public and private debts in the United States are, in round figures, \$200,000,-

000,000. Of this the Federal Government owes about \$20,000,000,000; States, counties, and cities, \$14,000,000,000; railroads, utilities, and other industrial groups, \$50,000,000,000; farm mortgages, \$9,000,000,000; city mortgages, \$27,000,000,000; banks, \$47,000,000,000. Insurance companies have \$110,000,000,000 in policies, representing a present cash liability of \$16,000,000,000. Of course, there is some duplication in these figures.

The biggest item of private debts are those of railroads and other industrial groups, with an aggregate, as stated, of \$50,000,000,000. Generally speaking, the higher we go in the financial world the greater is the burden of debt. If we should divide the population into two groups, one composed of the 10 per cent composing the capitalist class and the other of the 90 per cent constituting the masses of the people, it will be found that the latter include a relatively larger percentage of the creditor class.

I have in mind not only the millions of bank depositors and of holders of insurance policies and other credits, small as to each but aggregating a vast total, but also some 3,000,000 recipients of veterans' relief and insurance, industrial pensions, and similar payments, and another 3,000,000 or more of minor public employees, many of whom have already had drastic cuts in pay. I also have in mind that each wage earner with a job is in real effect and substance a creditor who receives upon each pay day an installment of his debt, and recognize that ingenuity could not devise a more wholesale raid upon wages than through an inflation which would reduce real wages, the purchasing power of the workers' money. It is quite true that most individuals are both debtors and creditors; in classifying them I have taken their chief interest into account.

It is rather strange to find some of the ardent advocates of cash payment of the soldiers' bonus also championing the cause of inflation. They are insisting upon payment of the bonus and upon reduction in its real value at the same time. Some of them are also active in opposition to reductions in veterans' pensions and in wages of Government employees—yet at one blow they would reduce the Government's ability to pay and the real value of the pensions and salaries paid.

"Friends of labor" are found insisting upon inflation and at the same time upon high wages. They would extend the shadow but withdraw the substance, hold nominal wages up yet cut real wages down by reducing the purchasing power of the worker's pay. At the same time, their action would not provide a single additional job, but in all probability, by paralyzing business activities through destruction of confidence, take away even the jobs which yet remain.

I note among the advocates of inflation some who have distinguished themselves as supporters of relief for the un-

employed, the poor, and others in distress. The effect of their proposal for inflation would be to take away from these starving beneficiaries a part of even the little which they are now receiving.

INFLATION IMPAIRS STABILITY, THE ESSENCE OF CONFIDENCE

There is no lack of money in circulation. There is merely a lack of velocity in the movement of money. A dollar changing hands once a month is \$1, changing hands once a day it is \$30. This lack of velocity is due largely to lack of opportunity for safe and profitable investment. Fundamentally, the lack is of confidence of the kind which I have described. There is hoarding, but this also is due to lack of confidence and to lack of opportunity for the profitable use for money. The crying need is for more confidence, yet the inflationists would further impair the economic stability, which is the essence of confidence, and take away even that little which yet remains.

To sum up, the gold standard is not at fault; there is plenty of gold upon which to transact the world's business; the world's money gold stock was \$11,072,370,000 in 1929; it had increased in 1931 to \$11,940,606,000; as relates to gold, the trouble lies in the inequality in which it is held by the nations. We have plenty for all purposes.

The amount of money in circulation is ample. There is a serious shortage of credit. Credit has been deflated some \$25,000,000,000, of which \$12,000,000,000 is in bank credit alone—a deflation due to lack of confidence plus lack of demand—potential borrowers have been unable to find safe investments; potential lenders can not find safe loans; creditors, losing faith in their debtors, have been pressing for collection.

Of course, restoration of confidence, however strong, is not alone sufficient for business recovery. It must be accompanied by “business opportunity.” Our fundamental trouble is with distribution, now snarled with multiplied barriers to the free play of commerce and to the operation of the laws of supply and demand.

157675—9064

The Problem of the Railroads

Speech of
Hon. George Huddleston
of Alabama
in the
House of Representatives

Friday, June 2, 1933



(Not printed at Government expense)



United States
Government Printing Office
Washington : 1933

179277—9519

SPEECH
OF
HON. GEORGE HUDDLESTON

The House in Committee of the Whole had under consideration the bill (S. 1580) to relieve the existing national emergency in relation to interstate railroad transportation, etc.

Mr. HUDDLESTON. Mr. Chairman, railroad transportation is a necessary of life as much as bread. It is a necessary for which there is no real substitute. In the present stage of our civilization and industrial development, without it whole populations would perish.

The interests of railroad labor and of the owners of the railroads, while important, are but secondary; the primary interest is that of the general public. It is quite desirable that the railroads be self-supporting. But since it is an essential and we must have rail transportation, the public interest requires that if it cannot be had in any other way than through public intervention, public subsidy, or even public ownership, then we must resort to that.

We must have rail transportation, and we are going to have it both now and hereafter. This fundamental fact should be faced at the outset.

RAILROADS IN BAD FINANCIAL CONDITION

The railroads are in bad financial condition. The average earnings last year after payment of taxes was only 1.5 per cent on appraised value. The railroads as a whole did not earn a penny for their stockholders. Numerous important carriers are not earning the costs of operation. Quite a large number, including some of the most important lines, are not earning fixed charges. Carriers with a total of 182,457 miles are in this category.

It is to meet this situation that Title I of this bill is presented. Its fundamental purpose is to enable the railroads to work economies in operation not primarily in the interest of the owners of the railroads nor of their labor but in the interest of the general public, which requires that so far as possible railroads shall be self-supporting.

SAVINGS AT THE EXPENSE OF LABOR AND SUPPLIES

The only ways by which railroads can economize to a substantial extent are: First, at the expense of railroad labor; and, second, at the expense of the supply interests. Minor savings may be obtained in some instances through the reduction in expense for rentals, but this is so trifling as to be practically negligible. The third great item of expense

is taxes, but it is not practical to attempt any savings on that in this bill.

Having in view that savings can be made only from labor and supplies, the deliberate design of this bill is to reduce to the least possible minimum the saving which may be made out of rail labor. It is intended to make possible only such economies as may be produced at the expense of the supply interests. Since also the labor costs of the supply interests are probably 75 percent of their total, this means that of whatever savings are made possible by the bill, small though they may be, 75 percent will come out of the men who in producing supplies work indirectly for the rail industry.

Out of every dollar spent for operating expense, 46 cents goes for labor and 18 cents for supplies. This shows how small is the field for savings under this bill. There is the further fact that any savings whatever must be at the expense of service rendered by the carriers with resulting public injury.

We are exerting ourselves to the utmost to provide work for men to do. We are seeking to start business forward through a vast public construction program. Imagine then with what little enthusiasm I support Title I of this bill.

On the whole it may be well said that the chief value to be found in Title I lies in the provision for the study of the railroad problem to be made by the coordinator—a study which will have its chief value in the future when business is more prosperous and industry is on its feet.

As a relief measure, I cannot escape the conclusion that Title I is just about as near nothing as could be observed under a microscope.

RAILROAD DIFFICULTIES DUE TO LACK OF BUSINESS

The cause of the bad situation of the railroads is lack of business. Carloadings have recently been as low as an index of 49, as compared to 100 in 1926. They now stand at an index of about 55. The railroad owners are making no profits. Those who have loaned money to them find their interests greatly jeopardized. Railroad workers are walking the streets in idleness by the hundred thousands.

The trouble with the railroad industry is lack of business, yet this measure, brought forward for their relief, points out no way by which as much as a conceivable single pound of additional freight will be produced nor a single additional passenger mile afforded.

There are things which could be done to improve the business of the railroads. There are things which would increase carloadings. There are things which would increase the available work for the men engaged in the industry. There are actions which could be taken which would increase business for the carrier, employment for the workers,

and at the same time the prosperity of the general public and of the business interests of this country. The amazing thing to me is that in an emergency such as this the gentlemen of the brain trust are unable to present any constructive and legitimate plan of railroad relief which would tend to bring about the results which I have pointed out.

OUR TROUBLE IS WITH DISTRIBUTION

May I say here that, from my point of view, the chiefest factor in the depression lies in the distribution end of our economic life and not in the production end. I believe there is no more fundamental economic error that men may fall into than when they undertake to deal with the depression from the standpoint of production, and particularly may I say through the reduction of production. There never was a more stupendous economic folly than that in this time when men are suffering for the necessities of life we should find the best talents of our statesmen devoted to devising means by which we may reduce the supply of the things that men need for their well-being.

Our chief difficulty lies with distribution, and one of the main factors in that difficulty is in the trade barriers which have been erected between the consumer and the producer.

These trade barriers are innumerable. They handicap the flow of commerce on both the foreign and the domestic fronts. They not only obstruct the free flow of commerce, but they add to the consumer's cost and cut down his capacity to buy and at the same time take away from the producer that little which he would be able to receive, if only the law of supply and demand were allowed to operate.

A COMMENTARY ON STATESMANSHIP

What a commentary it is upon the intelligence and statesmanship of this hour that during all the three and odd years of the depression not a single measure has been offered from any responsible source which would bring the producer and consumer closer together or eliminate any of the barriers which separate them! To the contrary, we are now busying ourselves with building higher the barriers and making them more insuperable.

The chiefest of those barriers is the high cost of transportation. Four times within the last 20 years we have had a horizontal increase in freight rates for the benefit of the rail carriers. Four times through an increase in rates have the producers had taken from them an additional toll from what little they received for their products and the consumers had added to what they were required to pay for commodities. Four times have the carriers reached out and taken a larger and a larger share.

In practically all instances the present cost of transportation is more than 25 percent more than it was at the time when prices of commodities were substantially the

same as they are now. In many instances the increase is 50 percent. In some instances the increases have been as high as 100 percent. We find today that the rail carriers have their rates upon an average index of somewhere from 105 to 110 compared to 1926, and from 150 to 200 compared to 1913. The accurate figure on ton-mile revenue for 1913 is 72.9 cents, while for 1932 it is \$1.04½ per ton-mile. This is an average and does not show the situation as bad as it really is as to many products and many localities.

Those increases have been made in freight rates yet we find that the producers, and particularly the producers of heavy commodities such as coal and agricultural products, have their prices on a pre-1913 level, and in many instances even below the 1913 level.

While other prices have gone down transportation costs have gone up. The farmer, getting an average price index of 45 for his products, is expected to consume transportation on a cost index of 110 in shipping that product.

RAILROAD RATES HIGHER THAN TRAFFIC WILL BEAR

In practically all cases the rates are a serious obstacle to commerce. In many instances the rates are actually higher than the traffic will bear. Not merely is a trade barrier set up, but a trade prohibition. There can be no shipment. I was told of an instance this morning in which the producer of cabbages in a southern State received \$65 for a carload of the product of his toil, while the carrier received \$225 for transporting that product to a not-distant city.

In many instances the rates are higher than the traffic will bear. In practically all cases the rates are so high that the traffic is retarded, and a large part of it in every line will not bear the rate that it has to pay. Can you wonder that carloadings are down to 55? Can you wonder that 850,000 railroad employees are without work? Can you wonder that the farmer and the miner find that a barrier has been erected between them and their customers, a barrier which they find insurmountable?

This bill does not deal with that situation, nor does it attempt to deal with it. It leaves that situation frozen. It leaves it to the tender ministrations of the Interstate Commerce Commission, bound as they are by precedent and by law and established practice, and by the necessity of fixing a rate which will yield the railroad a fair return upon investment, a task necessarily hopeless, because the higher the rate the less the railroads can earn.

There was a time when the country stood at the peak of prosperity, when the pressure of business was so great as to force traffic on the rails over the barrier of high rates. There was a time when prices were at a figure that justified the shipper in sending commodities over this barrier. That time is no longer here.

The result is there has been a stagnation which stops distribution or so seriously obstructs it as to have become the chief factor of the depression from which we now suffer. There is a remedy for this situation, and that remedy lies in the reduction of railroad rates and charges. Therein lies the salvation not only for the railroads, which can earn more if their charges are less, because they will get more business to do, but for the workers, who will be busy carrying the additional amount of freight that the railroads will get at the lower rates. More than all will the benefit go to business generally. How can we have a resumption of normal activities when business is throttled at the outset by rates such as are now in effect?

A HORIZONTAL REDUCTION OF RATES

If it were left to me to write this bill, I would throw this title aside and in its stead I would write a provision which would bring railroad rates down to the present level of the prices of the commodities that move over the railroads. I would give the carriers free opportunity to secure such particular increases as might be found just and reasonable and general increases as the prices of commodities might rise.

I realize the present plight of the railroads, and that some provision would be fair to absorb such of the losses as they might sustain through the reductions, so that I would pay them out of the public funds whatever they might lose by this reduction of rates. I would give them a few hundred millions outright from the Treasury and thereby afford a stimulus to business and encouragement toward recovery.

I would rather give the railroads these few hundred million outright from the Public Treasury in the form of a temporary guaranty against loss from a reduction in rates, which would do so much to lift us out of the quagmire, than to lend them the same amount or more, as we are now doing, thus enabling them to perpetuate their hide-bound policy of charging more than people can pay. They are like a man with a rope coiled around his neck and pulling for dear life at both ends. They are strangling themselves with their excessive charges, and have not judgment enough to slacken up. Let them take the rope of prohibitive rates off their necks.

Let them charge rates that the people can afford to pay and then they will do business. Then the man who is in business can afford to patronize them. That is legitimate. That is constructive. That looks toward a resumption of normal business activity. That looks toward recovery. That looks toward overcoming the depression.

**STATEMENT SHOWING RATES ON FURNACE RAW MATERIALS IN THE
BIRMINGHAM DISTRICT**

Statement showing rates in cents per ton on furnace raw materials in the Birmingham district as they existed prior to August 15, 1916, and as changed since that date to present time

Distances	In effect prior to Aug. 15, 1916	Aug. 15, 1916, to July 20, 1917	July 20, 1917, to June 25, 1918	June 25, 1918, to Aug. 26, 1920	Aug. 26, 1920, to July 1, 1922	Present rate ef- fective July 1, 1922
Coal per net ton:						
Under 25 miles.....	12½	17½	22½	50	62½	57
25 miles and under 50 miles...	20	25	30	80	75	65
50 miles and under 65 miles ¹ ...	30	35	40	80	100	90
65 miles and under 125 miles...	45	50	55	90	112½	102
Coke per net ton:						
Under 25 miles.....	15	20	25	50	62½	57
25 miles and under 50 miles...	22½	27½	32½	60	75	68
50 miles and under 125 miles...	40	50	55	90	112½	102
Limestone:²						
Under 25 miles.....	12½	17½	22½	40	(³)	40
25 miles and under 50 miles...	20	25	30	50	(³)	50
50 miles and under 65 miles...	30	35	40	60	(³)	60
65 miles and under 80 miles...	35	40	45	70	(³)	70
80 miles and under 100 miles...	40	45	50	70	(³)	70
100 miles and under 125 miles...	45	50	55	80	(³)	80
Iron ore:³						
Under 25 miles.....	12½	17½	22½	50	(³)	50
25 miles and under 50 miles...	20	25	30	60	(³)	60
50 miles and under 65 miles...	30	35	40	70	(³)	70
65 miles and under 80 miles...	35	40	45	80	(³)	80
80 miles and under 100 miles...	40	45	50	80	(³)	80
100 miles and under 125 miles...	45	50	55	90	(³)	90

¹ The Louisville & Nashville R.R. does not recognize the zone from 50 to 65 miles on coal, but carries the \$1.12½ rate on all coal from 50 to 125 miles, inclusive.

² The Southern Ry. did not increase its rates on coal until Aug. 11, 1917.

³ Gross ton.

⁴ Net ton.

⁵ No change.

⁶ Reduced to 70 cents Apr. 6, 1927.

TARIFF REFERENCES

Southern Railway Co.:

Prior to Aug. 15, 1916, rate issue F-5524.

Aug. 15, 1916, to July 20, 1917, rate issue F-5579.

July 20, 1917, to June 25, 1918, furnace material Tariff No. 4, rate issue F-5931.¹

June 25, 1918, to Aug. 26, 1920, furnace material Tariff No. 6, I.C.C. A-8607.

Effective Aug. 26, 1920, under ex parte 74.

Furnace material, Tariff No. 7 I.O.C. A-8949.

Louisville & Nashville R.R. Co.:

Prior to Aug. 15, 1916, G.F.O. 1185, G.F.O. 1247, G.F.O. 1258, G.F.O. 1267, G.F.O. 1269, G.F.O. 1272, G.F.O. 1280, G.F.O. 2024.

Aug. 15, 1916, to July 20, 1917, G.F.O. 2559.

July 20, 1917, to June 25, 1918, G.F.O. 2810, I.C.C. A-14134.

June 25, 1918, to Aug. 26, 1920, G.F.O. 3297, I.C.C. A-14367.

Effective Aug. 26, 1920, under ex parte 74, G.F.O. 3703.

BIRMINGHAM, ALA., April 23, 1929.

179277—9519



(Not printed at Government expense)

PENSIONS FOR SPANISH WAR VETERANS

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 10, 1933

The House had under consideration the bill H.R. 5389, particularly the Connally amendment which limited reductions in pensions, under the Economy Act, to 25 percent of the pensions being paid on March 15, 1933.

Mr. HUDDLESTON. Mr. Speaker, the measure which we are considering, and which is offered as a substitute for the Connally amendment, is said to represent a "compromise" agreed upon by the President and the unofficial committee which waited upon him. I agree that this substitute secures for a certain class of World War veterans benefits somewhat comparable to the Connally amendment. But, as far as Spanish War veterans and their dependents are concerned, they have been tossed overboard; there is nothing for them.

Today 35 years ago my division was marching and drilling at Camp Coppinger, some miles out from Mobile. Within a few days we were transferred to Miami, then a mere village alongside a swamp. There, bitten by swarms of insects and under unspeakable sanitary conditions, we remained throughout the tropical summer. Our food was scanty and unwholesome. Our hospital was little more than a name, medicines and supplies almost wholly lacking, and medical attention largely a pretense. There were no nurses and no suitable food for the sick. I lay for 30 hours, after admission to the hospital, upon a bare board, with my blouse folded under my head for a pillow, without seeing a doctor or receiving the slightest attention.

Our sick list mounted at terrific pace, until scarcely 50 percent were fit for duty. Racked by malaria, typhoid, and other diseases of the semitropics, within 60 days there was scarcely a sound man in the pestilential camp, and deaths had risen to an appalling figure. Then the armistice was signed, and these men came away to be discharged without a medical examination, and without any adequate record having been made of their disabilities.

I saw these soldiers as they went into camp—gay and patriotic boys, eager to serve their country. Then I saw them as they were discharged to their homes—gaunt and fever stricken, and bearing the seeds of disease to plague them throughout their lives.

Never have veterans of any of our wars received so little attention and such small evidence of appreciation of their service as have those who served in the War with Spain. For more than 20 years no special provision whatever was made for those who were disabled. They received neither bounty nor bonus, and yet there was not a conscript among them.

Now, 35 years have gone. Half of these veterans have passed into the great beyond, many of them hastened to their graves by their sufferings in service. The others, now in their old age and their gray hairs, enfeebled by disease incurred in the service of their country, or broken by the casualties of industry, now find themselves, in their declining years, the "forgotten men"—discriminated against, dishonored, and disowned by the Government for which they offered their lives. [Applause.]

What have they done that they should be denied the pity by which they might eat honest bread? Did you not call them to the service of your country? Did they not follow your flag? Did they not suffer in your stead? Why do you disown them now? [Applause.]

I marched with these men in '98. They have been my friends and intimates through all the intervening years. I know how poor they are—how little they have to show for a life of service. I know that a large majority of them will be destitute if robbed of their pensions. I know that many are merely being transferred from the pension list to the mercies of charity or to the generosity of sympathetic friends.

Oh, the ingratitude of republics! You are tossing them overboard, these veterans of '98. I marched with them then, and I can do no better now than to share their fate. You toss them overboard and, if need be, I am willing to go overboard with them. [Applause.]

180018—9532

(Not printed at Government expense)

THE HOLDING COMPANY BILL
"REGULATION" OR "DESTRUCTION" IS THE
ISSUE—PARTY PLEDGES MUST BE KEPT

"We advocate regulation to the full extent of Federal power of holding companies which sell securities in interstate commerce." (Democratic platform of 1932.)

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

June 28, 1935

Mr. HUDDLESTON. Mr. Chairman, I support this bill in toto. [Applause.] It is not my bill—no part of it is my bill. Not one short sentence is mine. Probably scarcely a word in it could be attributed to me. It is not the kind of a bill I would like to have. Its skeleton was so warped that it was exceedingly difficult to build fair flesh upon it.

At the conclusion of the hearings the bill was referred to a subcommittee of 4 Democrats and 2 Republicans, of which the gentleman from Texas [Mr. RAYBURN] was chairman. We labored long and faithfully on the bill.

We found the bill as originally introduced utterly impossible. I advocated throwing it in the wastebasket, and that the committee undertake to write a reasonable, sensible bill that would regulate the holding companies and do what any reasonable man should want to do. [Applause.]

What we had to do was to take this impossible bill, which in many respects, as I repeatedly said in the committee, approached the extreme rim of sanity, and try to make something out of it. We discussed it for many days. Of course, I presented my opinions and made my suggestions. In the course of the entire deliberations I made only possibly two motions. Practically everything that was written into the bill and every change made in it was made by the consent of the entire subcommittee, including the chairman. There were only a few exceptions where a vote was taken.

When the bill was completed by the subcommittee we voted it out. I voted for it. In many respects it did not suit me. There was scarcely a provision in the changed bill that I would have put in had it been left to me. Then we brought it to the full committee. We considered it there, and I sat by the chairman's side and I counseled him and tried to help to put the bill through exactly as the subcommittee had reported it, though, as I have said, in many respects it did not suit me. It was changed in full committee in only two particulars.

I was not pleased with the bill, but I felt that we had succeeded in bringing it into such shape that a reasonable and fair man could afford to vote for it. I intend to vote for it.

I am going through with it, although it does not well represent my views. Others may do as they choose, but as for me I do not feel that under the circumstances which I have related I am now free to throw the bill down and abandon it and leave it as an orphan and a waif.

ISSUE IS BETWEEN REGULATION AND DESTRUCTION

What is the issue on this bill? In a few words, the issue is whether we will regulate or whether we will destroy. That is the issue. My position now is, and has been from the inception of this legislation, and may I say for long before it was introduced, that the utility holding companies should be regulated. They should be rigidly and sharply regulated. The interests of the public, of the investors, and of the consumers should be protected by adequate regulation. That is what I have believed in all the time, what I believe in now, and what I advocate now.

I have some authority for that position. I read from the Democratic platform of 1932:

We advocate regulation to the full extent of Federal power of holding companies which sell securities in interstate commerce.

Upon that plank I stand. [Applause.] Take note. It says "regulate." It does not say "destroy." Those who advocate destruction cannot quarrel with me for my Democracy. No Democrat can find fault with me for standing upon the Democratic platform of 1932. Socialists, radicals, and what nots, of whatever stripe—they have the right to quarrel with me, but no Democrat dare challenge me on that. [Applause.]

The issue is, Shall we "regulate" or shall we "destroy"? That in turn resolves itself into this: Shall we correct the evils of the holding companies or shall we wreak vengeance upon them? Do you come to preserve, to build up, to correct, to improve that which is imperfect, or do you come in a punitive spirit to punish for the misdeeds of the past?

You would take vengeance, you say, by destroying the holding companies. Take vengeance upon whom? On the corporations who are inanimate creatures and without souls? Would you take vengeance upon the corporation officials who were guilty of the misdeeds and wrongs of which you complain? Some of these you would have to pursue into the Great Beyond, and I would suggest that you clothe yourselves with asbestos before you start on the quest. In very few instances do those individuals who took part in the wild speculation and the high finance of the period ending in 1929 remain in charge of the companies that they directed up to that time.

Whom would you punish then? Do you want to "soak" their successors in office? Is that what you want to do? Let me say to you that you cannot strike them without striking the stockholders who stand back of them. What have the hapless investors done that you should take vengeance

upon them? What have those who have put their savings of a lifetime into these securities done? What is their offense? What is their crime for which you are seeking to punish them?

VENGEANCE ON THE INNOCENT

Their only crime is that they were too trustful; they accepted too much or they believed, like millions of our people believed, that the economic orgy of 1926, 1927, and 1928 was a permanent and normal condition. The situation was not different in the utility field from other fields. The spirit of speculation pervaded the land from end to end. The humblest wheelbarrow roller in our districts would have done the same thing that was done by those whom you now condemn had he only had the opportunity. What is the use of fooling ourselves?

The only crime of these investors is that they were too credulous. Their only crime is that already they have been punished and have lost most they had. For the security for which they paid \$100 the average price is now somewhere between \$20 and \$30. Now, they look up and see their great Government trying to take away from them the last few remaining pennies left of what they invested. [Applause.]

Take vengeance upon them? All right, so be it. We care nothing for them, let us say, whether they be widows, orphans, bankers, or millionaires, or whatever they are! They have no right to stand in the way to thwart progress and the general welfare. So let us then dismiss them out of the picture and say we do not care what becomes of the utilities or what befalls the hapless investors. Then I ask whether, in taking vengeance, you are willing to reach over the heads of those who invested in the companies and to strike down the welfare of your country.

This measure is highly deflationary. It is even now having a bad effect upon business. It halts enterprise. It strikes at confidence. It retards recovery. In no sense of the word can this be called a recovery measure. There is nothing about it to put a single man or woman to work.

To the contrary, it discourages enterprise. It prevents development. It tends toward a collapse in the electrical industry when many, many men now at work will find they have lost their jobs. It strikes a serious blow at heavy industry. It may retard recovery for an indefinite time.

That is the issue. It appears in many sections of this bill. Would that I had time to explain them more fully.

The bill is a mystic maze. A man of average intelligence wandering into it will soon find himself hopelessly lost without knowing east from west or top from bottom. After weeks of study the most intelligent man will still remain in doubt as to what this bill means.

"COHEN & CORCORAN—BRAIN TRUST"

This bill was written by Mr. Benjamin Cohen and Mr. Thomas Corcoran, two bright young men brought down from

New York to teach Congress "how to shoot." [Laughter and applause.] Some of us were here when both were yet in short pants. But these are days when experience and fidelity in public service or in business life are exceedingly "disqualifying." I pay them a tribute for the exceeding skill which they have shown in weaving in and weaving out, piling words upon words, phrase upon phrase, clause upon clause, until a Philadelphia lawyer would get down on his knees and pray to be delivered from the task of interpretation. [Laughter and applause.]

I hope I misunderstood the gentleman from Texas [Mr. RAYBURN] yesterday in saying that he favored the bill in its original form. I defend him against that statement if he made it. Dozens of changes were made in the bill in the Senate. With perhaps one or two exceptions every one was a marked improvement. Then when it was characteristically "lobbed over" onto the House we took it up. We worked on it. We also made dozens of additional changes in the bill. Every change was an improvement upon the original. Every change was in the interest of clarification and good understanding. Every change was in the interest of fairness and justice and the reasonable regulation of the utilities. Every change strengthened the bill in its constitutional aspects.

Of course, I do not know what was in the minds of those who wrote the bill. You cannot deduce it from the bill. I do not know what philosophy they were holding to. "What private griefs they had, alas, I know not, that made them do it." Suffice it to say that the bill was "fearfully and wonderfully made", and that every syllable was loaded with arsenic. The utilities charged, and it was charged again here yesterday, that the bill had an insincere purpose, that it was designed to produce chaos and ruin in the electrical industry so that out of the shipwreck might be salvaged Government and municipal ownership and other kindred spoil.

Looked at on its face it would well warrant such a charge as has been made. It seems to me to be designed to baffle, to harass, to ensnare, to enmesh, to confuse, to produce a situation beyond the wit of anybody to get through with. Our committee cut some of these webs, we destroyed some of the snares, we have made this bill into a bill that a reasonable, honest man can afford to vote for, a reasonable and fair-minded man who wants to regulate the utilities, who wants to do justice and who has a due regard for the rights of others and for the welfare of his country.

GIVES VAST POWERS TO COMMISSION

The bill gives to the Securities Commission powers exceeding any that should have been given. The bright spot in this connection is that practically all actions of the Commission are subject to review by the courts. The original bill did not do that. In some instances it threw those who were com-

mitted into their hands upon the mercies of the Commission. Given an honest and an intelligent commission, I do not fear the operation of this bill. If we should have a prejudiced and an unjust commission, then I should be fearful for the interests committed to their mercies. We are compelled to assume that honest and intelligent men can be found to run the Government. Otherwise we are lost.

Mr. Chairman, much has been said about section 11. Attention has been unduly concentrated upon that section. Let me say that in my opinion it is much less important than has been represented. There are other sections of this bill that are of fairly equal importance.

Section 11 of the bill, as passed by the Senate, provided that a holding company should not continue to control more than a single "geographically and economically integrated public utility system." Who could have lived under those terms? The Consolidated Gas Co. of New York, a \$2,000,000,000 concern. Thus, it was not the size of the company nor the amount of capital invested that was being aimed at; there was no purpose in that section to scatter aggregations of capital, because the Consolidated Gas Co., which is an "integrated" system, would be preserved.

It was not geographical size that was aimed at, for the American Gas Co. would have been preserved under that section. The American Gas Co. is a holding company of a single integrated system which stretches from North Carolina to Michigan, and includes the States of Virginia, West Virginia, Ohio, and parts of several adjoining States—"a sprawling empire", to use the pet phrase. Yet that company would have been preserved by section 11. So it was not that kind of situation that was aimed at. If the American Gas Co. had owned a plant in Charleston, W. Va., and another in Columbus, Ohio, just two plants, and they were not connected in any way, then the American Gas Co. would have been put out of business. That is the sense of section 11; of the Senate amendment. That is what you are going to be asked to vote for as a substitute section 11 for the House section.

You are sensible men; I do not need to argue with you about a situation like that. What improvement does it make if the American Gas Co. should own the territory solidly from Newport News to Detroit above its ownership of a few plants between those points? What harm will be done in the one case more than in the other?

ALICE COMES TO WASHINGTON

What does section 11 of the committee bill do? It provides that if the Commission shall find that in the case of a holding company owning more than one integrated system the situation is detrimental to the public interest the Commission may require the company to divest itself of all except a single system.

That is the difference between the two sections. The public interest is made the test in the House provision. The public interest is made the guide by which the Commission shall proceed. The Senate bill would go after this situation with a meat ax and would destroy good, bad, and all, except those particular companies which happen to be in the peculiar situation to fit in with the arbitrary and capricious provision which was adopted. That is the issue on this provision of the bill. Alice in Wonderland has come to Washington.

"Let the jury consider their verdict," the King said. "No," said the Queen, "sentence first, verdict afterward."

I join with the chairman in deploring the pressure from the outside which has come upon Congress in connection with this legislation. It has tended to disturb and to thwart sound judgment and careful reasoning. It has tended to prevent fair and just decisions in the public interest. It has been generally hurtful.

Where and when did this propaganda start? Not yesterday, not with the introduction of this bill, but years ago. It would be hard for me, though a student of this matter as I have been—it would be hard for me to tell which side began it first, because it has been on both sides of the issue. It was first brought to my attention by utility advertisements in the papers 15 years or more ago, and later it was found that the companies had injected into schoolbooks and other school literature statements which were more or less misleading. The controversy continued to grow, and the condemnation of the utilities continued until in 1928 the Senate adopted a resolution directing an investigation of utility-company practices by the Federal Trade Commission.

The Commission set some capable gentlemen to work. They began to dig into the utility-company records and papers. Their method was to dig in, and when they found anything wrong they would rise up and trumpet it to the world. I am reliably informed that the Federal Trade Commission during its investigation issued somewhere near 300 newspaper releases in the form of publicity stuff, telling the people of the country what they had found wrong with the utilities. They spent more than \$2,000,000 in getting material to put out, and so forth. They succeeded in building up a strong public sentiment against the utilities.

It was like writing the story of a man's life in which you tell every unworthy deed he ever did and every unworthy thought that ever entered his mind and ignore altogether all the good things that might have been said in his behalf. And which among you gentlemen could stand up with that kind of a biography? [Laughter and applause.]

FINE BAIT FOR DEMAGOGUES

So they whipped the country into a rage; they formed a public opinion, especially among those who had the least

information and hence are most suspicious; they raised this public opinion to a fever heat. Demagogues grasped their opportunity and agitators saw that the time was ripe for them. So, like vultures riding the storm, they mounted upon this wave of ill will and opinion against the utilities. They have continued to ride right down to this time.

Mr. Chairman, this is the finest demagogue bait that was ever spread; they not only get a chance to "soak the rich" and to fan the prejudices of the poor against those who happen to have managed to hold on to a stray nickel, but they are able to draw around their shoulders the cloak of patriotism—"I am the defender of the people." [Applause.]

I deplore these outside influences. There is the Tennessee Valley Authority, with its program of propaganda slipped into school literature and put out to the people through their publicity agencies. At the expense of the taxpayers of the United States they are converting the people to the idea of more power and more influence to the Tennessee Valley Authority; that they should be clothed with the authority not only to save men's bodies but to take care of their souls. [Applause.]

PUBLIC OFFICIALS GUILTY OF PROPAGANDA

For that matter, public officials here in Washington are not guiltless. They have done their part. I criticize nobody. Please do not think that I have any such thought in mind. [Laughter.] But before we had had the first hearing on this bill the chairman of our committee mounted the radio and "radioced" from one end of the country to the other, telling the people how bad the utilities are and how much this legislation is needed. I say to him that his influence and his word went farther than 10,000,000 letters received from humble constituents who do not know very much about what is going on here. He was not alone in riding this wave. Others have been riding it. Even the Chief Executive has repeatedly thrown his all-powerful influence into the scale.

Let us have done with this talk of propaganda. Both sides are guilty. Both have interfered with a fair and just decision upon the part of Congress. [Applause.]

A SLANDERING NEWSPAPER

Mr. Chairman, I picked up a newspaper this morning published in my own home town, a low type of newspaper [laughter], a chain newspaper, owned by a newspaper holding company, the most vicious form that a holding company can take. I find here on the front page, under a large heading, that they have printed a column written by a pair of Washington back-stairs gossipers, who sneak through Washington alleys and collect for peddling to the provincial press juicy morsels out of the garbage cans of politics. [Laughter and applause.]

Here is what it says. Here is the headline furnished, not by these purveyors of political carrion but by the Birmingham Post, this low-grade chain newspaper:

Doctor HUDDLESTON is charged with pulling the teeth from utility measure.

Then it proceeds to say of four members of the subcommittee—I will not call their names out of respect for them—

This quartet was chiefly responsible for hamstringing the legislation closest to the President's heart, the holding corporation bill.

Members of the roughriding squad are GEORGE HUDDLESTON, Alabama Democrat, who, despite loud protestations of devotion to the cause of liberalism, has waged bitter war, usually behind the scenes, on some of the President's key reforms—

And so forth.

First, may I say that I have never made the slightest pretense to liberalism, or any other kind of "ism", except democracy of the old-fashioned southern type. [Applause.] I have never posed as a liberal, but I have tried to be a Thomas Jefferson Democrat, and of that I am not ashamed. [Applause.] And if in following that star my path should lead away from some of the courses which are now being pursued, then I am content to take the responsibility.

Second, may I ask, since when has "liberalism" been the synonym for irresponsible experimentation and the reckless disregard of liberty and property rights? Such a false liberalism is a stench in my nostrils.

Mr. Chairman, this publication is a lie, a vicious lie. The four gentlemen named did not try to hamstring any bill. We merely did our best to convert this measure into a reasonable and fair bill. We believe that it is now a reasonable and fair bill and one such as declared for by the Democratic platform, and will regulate but will not destroy. I, for one, am going to "stand hitched." Others may quit whenever they get ready.

"I WILL DO WHAT I THINK IS RIGHT"

I would like to go along with the chairman of the committee. It pains me deeply not to do so. But before my affection for the chairman must come my duty to my country [applause], and whether it be propaganda from one source or another, whether it be influence brought to bear by officials of the utilities or by their stockholders, or whether, on the other hand, it be the threats of slandering newspapers and of the demagogues and the agitators, or whether it be to oppose the will of the Chief Executive of the Nation, I will do what I think is right. [Applause.]

I will do what I think is right. I will support "regulation" and not "destruction"—correction and not vengeance. I will do justice and serve my country's welfare, and neither the imps of darkness nor those who have seen a new light shall move me the breadth of a hair. Upon this rock I stand. "And the gates of hell shall not prevail against it."

AGAIN ON THE HOLDING COMPANY BILL

The Difference Between House and Senate is
“Orderly Execution” or “Lynching”

Against the Intrusion of the Executive Branch
Into Congressional Conferences

Speeches of
Honorable George Huddleston
of Alabama
in the
House of Representatives

Thursday, August 1, 1935

(Not printed at Government expense)



United States
Government Printing Office
Washington : 1935

7016—11728

SPEECHES
OF
HON. GEORGE HUDDLESTON

Mr. RAYBURN. Mr. Speaker, I offer a privileged resolution.

Resolved, That the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill of the Senate, S. 2796, be, and they are hereby, instructed to agree to the provisions of section 11 of the Senate bill.

* * * * *

THE DIFFERENCE BETWEEN HOUSE AND SENATE IS "ORDERLY EXECUTION"
OR "LYNCHING"

Mr. HUDDLESTON. Mr. Speaker, I feel the utmost indignation at the despicable insinuation against our President carried in the matter which the gentleman had read at the desk.

But why did the gentleman from Texas have that statement read at this time? It has no relation to the merits of this controversy. Is it the purpose of the gentleman from Texas to still further inflame public sentiment? Is it his purpose to further intimidate those who honestly disagree with him here on this floor? [Applause.]

The gentleman from Texas [Mr. RAYBURN] is wrong in his statement on the difference between section 11 of the House bill and section 11 of the Senate bill which he is seeking to have adopted in lieu of it. The difference is between orderly execution of a criminal and mob murder. The distinction is between a trial in court and a lynching bee. The gentleman from Texas [Mr. RAYBURN] champions the lynching bee.

Section 11 of the House bill provides for the elimination of all holding companies which the Securities Commission shall find to be operating to the detriment of the public interest or of the interest of investors or consumers, and provides for orderly, legal methods after a hearing and an opportunity to present evidence. But the measure which the gentleman champions would destroy without trial, would condemn unheard all good, bad, and indifferent without waiting for the verdict of a jury.

Section 11 of the Senate bill is unconstitutional. It will not stand up in the courts. I say that deliberately, after having given the legal question careful consideration. It is unworkable as a matter of fact. From an economic standpoint it will do incalculable damage. It will thrust

thousands of men now holding jobs into the street among the unemployed. It will take away the bread from the families of men who are now earning it honestly.

I challenge any honest and intelligent man to read section 11 of the Senate bill and then to say that he approves it and that he believes it to be fair and workable. It is an impossible measure, almost insane, and yet the gentleman from Texas [Mr. RAYBURN] invites the House now to accept it without understanding it, without hearing any debate upon it, and without any assurances whatever. Such an action would brand the House as incompetent and its decisions as farcical.

The gentleman from Texas [Mr. RAYBURN] moves that we surrender to the Senate on section 11. I am not surprised that the gentleman should move to surrender. He has been moving to surrender from the very inception of this legislation.

He surrendered to Mr. Cohen when the latter handed him the bill, and he introduced it in the House. He fought for the bill in the subcommittee, and every change that was made in it was a matter of compromise. I sat by the side of my friend from Texas [Mr. RAYBURN]. I wanted to agree with him. I told him time and time again that I wanted for us to get a bill that both he and I could support so that we might go through on this bill together.

He wrote section 11. That is to say, it was written under his supervision. He brought it before the subcommittee. There, thinking it had his approval, we adopted it. [Applause.] Yet the first opportunity the gentleman had on this floor he moved to surrender section 11 for the Senate section 11. He quit me cold. He abandoned his new-born child and walked away with the Senate jade. [Laughter and applause.]

Then, at last, after nearly 2 weeks, the gentleman from Texas permitted the House conferees to meet with the Senate conferees. There the gentleman from Texas moved to surrender to Mr. Cohen again. He wanted the advice of Mr. Cohen and his help in conference.

Now again he comes today, the first opportunity he has had, and again leads a movement for surrender. I like to follow the gentleman. I am glad to get behind his flag, but I do not like the idea that, having trained and marshaled me, he should give up his flag without firing a single shot. [Applause.]

The gentleman from Texas had hitherto established with me great confidence in him as a fighting man. Now he has so changed from the former gallant fighting man that he has come to be just the best little "surrenderer" that ever was seen. [Laughter and applause.]

The gentleman from Texas wants to surrender. All right. Nothing has happened to change his mind. He has always wanted to surrender. But what about the balance of us?

What about the honest men who think that the public welfare requires that these holding companies should have a trial? What about the honest men who feel that the best interests of this country require some other course than taking up a meat ax and knocking the electrical industry in the head like killing hogs in the fall of the year?

Why should we surrender? Is it because the gentleman from Texas has grown weak of heart? Is it because some of us have been misrepresented by scurrilous and lying newspapers? Is it because there has come to some of us letters from uninformed, suspicious, and prejudiced constituents who have no comprehension of the situation but who, nevertheless, take leave to vilify us?

Should we surrender because during the time while the conference was being delayed, a committee was busy at work raising a cloud of suspicion against Members of the House and against all the holding companies and everybody else that they could besmirch? Is that a reason why we should surrender?

Is it because of the base and damnable insinuations that we who support the House bill are playing the game of the companies? Is it because we who are trying to sustain the House bill have been subjected to that kind of cowardly and lying insinuations? Should we surrender because of that? I say "No"; no surrender to these vile influences which seek to intimidate but have no bearing upon the merits of the legislation.

The House conferees have the right to hold a conference under fair and just conditions, free from the domination of Mr. Cohen, and to reach thereat, if possible, with the representatives of the Senate, a fair and just decision upon the provisions of this bill. That right the gentleman from Texas [Mr. RAYBURN] would take away from us. He would take it away by his policy of surrender. Surrender without firing a gun! Surrender without a single reason! Surrender because this cloud of suspicion and character assassination has been raised!

Talk about "whispering campaigns"! Who has suffered more from it than I and other Members of my way of thinking?

In my efforts to pass this bill, I am the people's attorney. I represent the prosecution in the case of the people against the holding companies. I am determined to bring the guilty among them to the bar of justice. The practices of some of them have been such as to require their condemnation, but I demand that it be done in a lawful and orderly way. That is the object that I seek to accomplish. I will have no part in any program of wholesale lynching and condemnation without trial. [Applause, Members rising.]

The yeas and nays were ordered.

The question was taken; and there were—yeas 155, nays 210.

AGAINST THE INTRUSION OF THE EXECUTIVE BRANCH INTO CONGRESSIONAL
CONFERENCES

Mr. HUDDLESTON. Mr. Speaker, I offer the following motion.

Motion to instruct conferees by Mr. HUDDLESTON: Moved that managers on the part of the House appointed upon request of the Senate for a conference upon the disagreeing votes of the House and the Senate on the amendment adopted by the House to S. 2796 be, and they are hereby, instructed as follows:

That it is the will of the House that its managers insist upon a conference being held under just and fair conditions, such as will insure careful, calm, and deliberate consideration and will tend to promote an agreement by the conference, and that in the performance of their duties as such managers it is and shall remain the right and privilege of the managers on the part of the House, if in their judgment it is desirable in promoting the aforesaid ends, that such conference be held without the presence thereof of any person not a manager upon the part of either House or Senate.

Mr. HUDDLESTON. Mr. Speaker, my purpose is to say just a very few words on the subject of this motion. What I want to say is in reply to what was said by the gentleman from Texas [Mr. RAYBURN] on this subject in his speech a few moments ago, and also what he may now choose to say. Therefore, for the purpose of debate only, I yield to the gentleman from Texas [Mr. RAYBURN] 5 minutes if he desires that much time.

Mr. RAYBURN. Mr. Speaker, I have expressed myself fully twice in the House in the last 10 days on this matter. I have no desire to detain the House longer. Of course, I am opposed to the resolution.

Mr. HUDDLESTON. Mr. Speaker, instead of outsiders being helpful to the conference, it is only through the exclusion of partisans from the outside who have no responsibility either to a constituency or officially that there can be any hope of an agreement in the conference.

So long as our deliberations are interfered with, so long as outsiders who are unfair and partisan are permitted to intrude themselves into our deliberations, and to coach those who happen to agree with their peculiar views and to interfere with the fairness and freedom of the conference, there is no chance for an agreement.

With the elimination of such persons, so that the House managers and the Senate managers may be able to meet each other face to face without any thought that there is someone present who will carry to others on the outside news of what may transpire, there should be a good chance of an agreement. When the time comes, if it should, that we can meet in that close and confidential relation which should obtain in a conference, then I believe there is a chance for an agreement.

Mr. Speaker, I will not say that the argument that Mr. Cohen is merely a Senate aide or that he is merely a draftsman is not sincere. I would not reflect in any way on my friend from Texas [Mr. RAYBURN], but I will say this much to him, that if he has succeeded in getting himself into the frame of mind that he can look on Mr. Cohen in the capacity in which he pictures him before the House, then there is something wrong with his eyesight, if he is not altogether blind. [Applause and laughter.]

Who is Mr. Benjamin Cohen? Mr. Cohen was general counsel for the power policy committee. Mr. Cohen investigated the situation and collected the facts on which this bill was drawn. Mr. Cohen and Mr. Corcoran collaborated in writing this bill. Dr. Splawn did not have anything more to do with drawing it than did the gentleman from Texas [Mr. RAYBURN]. [Laughter.] Those two "brain trusters", those envoys extraordinary, those ambassadors and plenipotentiaries [laughter], this firm of "Cohen & Corcoran", late of New York, now operating in Washington, telling Congress what to do, pointing out to Members of Congress what their functions and their duties are, they drew this bill.

Mr. Cohen, a full partner in that firm, lives, I am told, in the same house with Mr. Corcoran, who was charged upon this floor with using corrupt influence upon a Member of this House, and whose own statement before the committee shows that he was guilty of the most culpable conduct in connection with that matter. [Applause.] Mr. Corcoran, ambassador to Passamaquoddy! [Laughter.] He was one of those who joined in drafting and pushing this bill.

And this pair wrote the bill. They have cooperated in wet-nursing it. They brought it to the House. They handed it to the gentleman from Texas [Mr. RAYBURN]. They wet-nursed it throughout the hearings before the committee. They were in the next room. The gentleman from Texas wanted Mr. Cohen to come in with the subcommittee that was considering the bill. When Mr. Cohen got through with us he went over to the Senate, and what he did over there parliamentary practice forbids that I should refer to. [Applause and laughter.]

This is the same Mr. Cohen who had private meetings with a certain group of Members of the House, who laid the plans whereby they were going to push his bill through Congress. Now, in that situation, with all this cloud that has been raised about this bill, how can anybody have the temerity to argue that such a man should sit in our confidential deliberations and coach and take part therein as though he were a manager himself?

Bear in mind that the Senate conferees claim the right, in bold and open terms, to bring with them into the conference anybody that they may choose, anybody that they

may pick. They can bring anybody in there they want to, so they claim, no matter how offensive he may be to us. But we also have some rights.

Let me pause here, Mr. Speaker, to say that I have nothing personal against Mr. Cohen. I have nothing personal against Mr. Corcoran. Personally they are to me fine gentlemen; but, as propagandists, as men to take unto my bosom and to tell me what kind of laws I should pass for the people of the United States, I reject them with indignation. [Applause.]

The yeas and nays were ordered.

The question was taken; and there were—yeas 183, nays 172.

7016—11728



(Not printed at Government expense)

THE "SHARE-THE-WEALTH" FALLACY

SPEECH

OF

HON. GEORGE HUDDLESTON

OF ALABAMA

BEFORE THE KIWANIS CLUB OF BIRMINGHAM, ALA.,
ON NOVEMBER 5, 1935

(Printed in the CONGRESSIONAL RECORD of Jan. 10, 1936)

Mr. HUDDLESTON. A few weeks ago a prominent Federal official, speaking in this chamber and to this organization, defined the New Deal as a movement for the redistribution of wealth. He stated that the issue was between the "haves" and the "have nots." Such a statement from such a prominent source should not pass unnoticed.

To impute such doctrine to the President is to impeach his loyalty to the platform on which he was elected, and to the principles of the party of which he is the leader. The Democratic Party has always been a party of extreme individualism. It has been highly individualistic, not only on matters of liberty and personal right but on matters relating to economics and property rights. Thomas Jefferson held that "that people is governed best which is governed least." The right of a man to order his own life and to do as he chooses with his own property is a Democratic fundamental. An examination of party platforms discloses few departures from this principle in nearly 100 years. I am bound, therefore, to reject all implications that the President holds to any such political philosophy.

I will not attempt to define the New Deal nor to expound its philosophy. It would be presumptuous to do so. However, I decline to accept the definition which was given. I decline to believe that the New Deal is committed to principles which clearly violate American fundamentals and the Constitution of the United States.

During the recent lean years men have been thinking and talking more about economics than ever before. Men who never before had given such matters a thought have been thinking and talking about the problems heretofore given over to the economists. Some of this thinking is of value, but much of it is badly muddled. Much of the talk has merely added to the confusion.

Out of our stress and difficulty have arisen new prophets who assume to point the way out. Most of them are concerned with reforms which have no relation to recovery. Much of their advice is essentially unsound and harmful.

Many of these new false leaders are sincere fanatics who, in this time of suffering and doubt, are moved to risk the fate of the world on half-baked theories—others are idealists who, having caught a glimpse of heaven, forget that we live in a practical world and have faulty human nature to deal with. Some of the false leaders are demagogues who are trading on misery and seek to capitalize on the confusion of the times. There also are those who have lost their all, and now having turned "defeatists", are

ready to surrender our traditions and to engage in reckless experiments as a way out.

Some of the false prophets are harmless—others are extremely dangerous. Among the most dangerous are those who advocate schemes for the redistribution of existing wealth on the basis of an equal share for all. They are even more dangerous than the Fascists, Socialists, and Communists, for these collectivists have consistent principles, whereas the "redistributors of wealth" have no system, but are moved by sentimentality and half-baked idealism. Their demand is not for equality of opportunity to labor and to receive just rewards for their efforts. They demand equality in the enjoyment of existing wealth. Apparently they are not interested in equality in opportunity for creating new wealth.

Proposals for the redistribution of wealth usually take the form of taking property into the Public Treasury through confiscatory taxation and then redistributing it in the form of pensions or other gratuities. The implication is that only the rich will be taxed, and that the average citizen will escape. But let no man assume that he will be able to escape merely because the levy does not fall directly upon him. Every citizen will have to make his contribution, indirect though it may be. In this respect the levy is not unlike other taxes. All taxes are bad—all fall upon the whole people, either directly or indirectly. All have a bearing upon the standard of living of every consumer.

The proposal is to take the wealth which has been accumulated. It is not aimed at the prevention of accumulation or at unfair methods by which accumulation is made. Men are to be allowed to continue the exaction of unjust profits if they are able to do so. It is proposed to seize these profits after they are made, then to hand them over to the class considered as deserving. It has never occurred to its advocates to demand the free play of economic laws so that extortionate profits could not be exacted. This would leave the funds in the hands of those to whom they rightfully belonged at the beginning.

With the ideal of equality of opportunity every thoughtful man must be in full accord. The future of civilization depends upon the solution of the problem presented by the injustices arising under the existing system. These injustices are not inherent in the system and are no proper part of it. They are the result of privilege and special advantage. They are the result of abuses of the system, and are cankers and sores upon it. The real remedy is to cure the abuses—to restore the system to a healthy condition, not to destroy it merely because it has been abused. Why should we burn the house merely to rid it of the vermin? The remedy is to secure equality of opportunity, and not to try to place energy and worthiness upon a dead level with thriftlessness, laziness, and improvidence. The world cannot go forward that way. Progress requires the initiative and labor which cannot be had unless man is permitted to enjoy the fruits of his own achievements.

The proper business of government is to protect the citizen in the enjoyment of his rights, and in the equality of opportunity to work and to create, free from oppression and wrong. No man should be allowed to use his wealth to oppress others—no man should be allowed to acquire wealth through special favors and privileges. Just governments do not permit such wrongs.

But government may not properly concern itself with natural inequalities. Given a sound mind and a sound body, man should be left to his own resources. Government should secure equality of opportunity. This done, it should not concern itself with the results. Man must be held to his own due responsibility. Otherwise he cannot attain his full stature. Civilization cannot advance on any other basis.

It is, of course, proper for the Government to extend aid to the needy in times of extraordinary stress and emergency. I should be the last to take any other position, for, whether it be creditable

or otherwise, I was the first of all those connected with the Government to propose Federal relief for the suffering during the present emergency. Despite Mr. Hoover's recent claim on behalf of his party, it was I, a member of the opposition party, who originated the slogan that "no worthy American should be allowed to starve." I am, therefore, wholly committed to the policy of governmental recognition of responsibility for relief. This is based upon the dual principle of response to the instincts of humanity and of the right of the Government to preserve itself.

The fundamental trouble with the "share the wealth" advocates lies in their assumption that there is somewhere a vast and inexhaustible reservoir of wealth, and that all that is needed for perfect ease is that the individual should be able to connect with this fountain. They do not think things out and see that wealth does not consist of the mere counters of money and other bits of paper, but that real wealth consists in the product of mind and muscle, and can be created only through human effort. They do not see that wealth is constantly being destroyed through consumption and the processes of time. They do not see that if men should cease for only a year to labor in the creation of wealth, all civilization would perish and the few individuals who might survive would be forced into savagery. They do not see that it is only through increased production that the standard of living may be enhanced.

Whatever form the proposal for redistribution of wealth may take, it is un-American as a violation of man's right to enjoy the fruits of his own labors, a principle inherent in the preamble of the Declaration, which proclaims that "life, liberty, and the pursuit of happiness" are among the inalienable rights of man.

The most amazing aspect of the situation is that the advocates of "redistribution" regard themselves as liberals. Since when did liberalism become the word for irresponsible experimentation and the reckless disregard of property rights? The only sense in which they are liberal is in the spending of other people's money. True liberalism stands for the greatest permissible freedom of action on the part of the citizen. It has no place in any system of regimentation or other form of collectivism.

The proposal is not even good socialism. Karl Marx preached the confiscation of wealth only as a necessary means to secure for the worker the full fruits of his labor. He never advocated that the lazy and incompetent should share equally with those of more usefulness to society. Even communism claims nothing for the man who will not work. No collectivist of any stripe, Socialist or what not, ever stood for such false equality.

All such measures are, of course, violative of the Constitution, but that is a matter of no moment to their advocates. They coolly invite us to change the organic law, so that those having any fruits of thrift and industry may be despoiled.

Schemes to share the wealth are, of course, immoral. They are merely a form of legalized robbery. They would take the savings of a man who has toiled and sacrificed to provide for his old age and give it to others who have no honest claim upon it.

But, to pass all other objections by, let us consider "sharing the wealth" solely from an economic standpoint; let us visualize the consequences of "redistribution." It would give each individual an undivided interest in mills, mines, railroads, and other property which have value only when used in cooperative effort. The inevitable consequence would be a wholesale slump in production, with disorder and starvation unparalleled even in Russia in 1920. It might even result in a total economic paralysis and chaos. This is the condition which the fanatics and demagogues invite us to submit to. It would be far better to have any intelligent system of collectivism, socialism, or even communism, than such an insane situation.

And bear in mind that there will be only one "redistribution." It will not occur the second time, for no wealth will be created for a second distribution. Robbed of the fruits of thrift and industry, man will no longer have the incentive to accumulate.

It is certain that times are getting better. The improvement as yet is slight, and in some lines it is not yet perceptible. However, on the whole, it is clear that an advance has been made. It is certain that it is merely a question of time before we will have normal conditions again. The question is one of time, which in turn depends largely upon the wisdom and fortitude with which we may deal with our problems. A lack of courage, patience, and straight thinking may operate to continue our sufferings for several years yet.

Recovery, when it does come, will come through the resumption of normal business activities. There is no other way. It cannot come through governmental spending nor through schemes of redistribution. It cannot come through reforms, however desirable they may be. It will come only when the wheels of industry begin to grind in the production of the things that men desire or that are required for their welfare.

Recovery will come through natural processes. How long it will be delayed will depend upon the extent of the interference with the free play of economic laws. Man did not enact these laws—he cannot repeal them. He may retard or thwart their operation only under the certain penalty of paying the price. In this situation may we demean ourselves in a manner worthy of our civilization and of citizenship in our great Republic.

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